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West Europe Report

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25 April 1984

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BRIEFS

PEACE GROUP ATTACKS NATO PLANS--In its work on the government's arms reduction report, the Storting Foreign Policy Committee must make an active effort to change NATO's strategy for first-strike use of nuclear weapons, according to the No to Nuclear Arms movement. Representatives for the movement, headed by Ole Kopreltan, met with the Storting Foreign Policy Committee yesterday to give their views on these matters. The committee is now working on its report on the government's arms reduction statement which is expected to be ready just before Easter. No to Nuclear Arms also says that Norway should work actively in the United Nations, NATO and other international organs to achieve a freeze on all testing, production and deployment of nuclear arms, which is the first step in reducing nuclear weapons in East and West. "Nuclear weapons must not be allowed in Norway. Such weapons must not be part of Norway's defense and other states must not be permitted to bring in such weapons," according to the letter the group handed over to the Foreign Policy Committee. The letter also asked that Norway enter into talks with the other Nordic countries with the idea of setting up a Nordic nuclear-free zone. [Text] [Oslo AFTENPOSTEN in Norwegian 29 Mar 84 p 3] 6578

CSO: 3639/98

ENVIRONMENTAL ACTIVISTS READY PLANS TO DESTROY POWER PLANTS

Oslo AFTENPOSTEN in Norwegian 28 Mar 84 p 12

[Text] "I am part of a nationwide group that has made plans to sabotage vital power plants and installations. It would be quite appropriate to put all the power facilities for southern Norway out of commission in order to call attention to the fact that central values of life are in jeopardy."

IKKEVOLD staff member Jorgen Johansen made this sensational statement in the latest issue of the publication. Jorgen Johansen is the "miller from Sarpsborg" who achieved some notoriety last fall when he pretended to be an attorney in a conscientious-objector case in Oslo City Court.

District attorney Anstein Gjengedal told AFTENPOSTEN that he found it interesting that Jorgen Johansen admitted publicly that he is a member of an established sabotage group. The district attorney will look into the matter more closely and review the statements made in IKKEVOLD.

Jorgen Johansen told AFTENPOSTEN that he hopes his remarks lead to an objective debate on the environment and energy expansion before it is too late. He stands behind everything written in IKKEVOLD and is willing to take complete responsibility for his statements. Incidentally, he and 10 other people will meet in Oslo Magistrate's Court next week to face charges under paragraphs 90 and 91 of the penal code stemming from a police raid on the IKKEVOLD office last fall.

6578

CSO: 3639/98

PAPER EXAMINES MOTIVES OF GROUP PLANNING POWER PLANT ATTACKS

Oslo AFTENPOSTEN in Norwegian 30 Mar 84 p 2

[Editorial: "Dynamite for Nonviolence Publication"]

[Text] When the police raided the editorial offices of the publication IKKEVOLD [Nonviolence] some weeks ago, many people--including those who do not share the periodical's views--were disturbed by the action. Democratic society is based on the assumption that everyone can speak out freely. It represented real progress when this principle was established constitutionally after the French and American revolutions around 200 years ago. And, parenthetically, it does not represent further progress, but a setback, when social systems that call themselves socialist and/or progressive set limits on these civil rights.

The sympathy the police did not receive when they carried out their action is now building up with the help of an article printed in the latest issue of the afflicted paper. There Jorgen Johansen maintained that it might be justifiable to blow up Norwegian power lines and black out large sections of Norway and that he is in touch with other people who have planned to do so and are in possession of explosive materials.

His information, or his claims, are now being investigated by the police. Not many people in this country would object to that. Johansen's arguments are characterized by such a deplorable lack of intellectual clarity, however, that the temptation to shake one's head and ignore the matter--or perhaps relegate it to the entertainment section of the Norwegian Broadcasting System--would be overwhelming if it did not involve dynamite in the literal sense of the word.

For what are we to say of an "environmental activist" and "advocate of non-violence" who can write the following: "The borderline to violence and terrorism can be difficult to define. But there are many indications that in some cases it would be possible to carry out this type of action in a morally acceptable way. It is only experimentation and actual attempts that will show if this is the correct course to follow."

Morally acceptable--for whom? If this is not a misguided joke, it is the most elementary kind of rubbish. It is clear for most people that experiments are not needed to show that this kind of thing is definitely not the right course to follow. It should be especially clear if one is an advocate of nonviolence.

The most obvious explanation is that Jorgen Johansen has allowed himself to be inspired to an exaggerated and uncontrolled extent by the year in which we are writing: 1984. In George Orwell's book of the same name, the propaganda department is called the Ministry of Truth and the war department is called the Ministry of Peace. The justice division, which carries out terrorism, is called the Ministry of Love. But even Orwell's clear vision did not extend so far that he had the idea of calling the major organ of an advocate of the use of violence "Nonviolence." It took a Jorgen Johansen to give the talented author a helping hand on this point.

Johansen's present and future reputation should have been spared this. But the police should be grateful. Those who share his views--or, more accurately, those who believed he shared those views and presumably still advocate nonviolence--have little reason to feel that way.

6578

CSO: 3639/98

CONSERVATIVE DAILY COMMENTS ON FOREIGN POLICY 'SYMMETRY'

Helsinki UUSI SUOMI in Finnish 11 Mar 84 p 2

/Editorial: "Symmetry and the National Interest"/

/Text/ In the spirited foreign-policy debate of recent times the statement of Foreign Minister Paavo Vayrynen, put forth in HUFVUDSTADSBLADET, that symmetry is not among the fundamental principles of Finland's foreign policy, has created a stir. The subject is important, and it leads to basic questions about the current course of foreign policy. The statement may, however, be misunderstood--some might even interpret it to mean that a certain amount of dissymmetry is the goal.

In everyday language, symmetry means, more than anything else, an evenhanded approach to the United States and the Soviet Union in the public stands we take. In a simplified view we can criticize the Soviet Union only if we have criticized the United States for a similar matter--and vice versa. If we want to speak about Poland, Czechoslovakia or Afghanistan, we have to speak in equally harsh terms about Chile, Guatemala or Grenada, for example.

Understood in this way, symmetry answers to the average Finn's sense of justice; it seems like a kind of Solomonic judgment. For that reason the idea is so firmly ingrained, which became evident in the discussion about Grenada. However, symmetry is not, for example, the same thing as neutrality. Symmetry is not one of the cornerstones of the present course of foreign policy--but if correctly applied, it can often serve as one of its instruments.

J. K. Paasikivi, creator of the course of foreign policy, did not proceed from symmetry or even neutrality as his paramount goal. His starting point was the national interest and the unavoidable geopolitical realities. Many things have since changed, chiefly in a positive direction, but it is always worthwhile to keep these fundamental facts in mind.

Urho Kekkonen invariably adhered to Paasikivi's basic doctrines. During his long term in office he managed, however, to take a stand on a great many matters in varying circumstances and with dissimilar doctrines, as a rule much simplified. With the aid of Kekkonen quotations taken out of context a person can therefore make a good case for very different points of view.

Striving for symmetry and evenhandedness in the positions we take does not lead to arrangements contrary to national interests. We should remember the principle that it is preferably to seek out friends from nearby and enemies from afar than the other way around. But this simplification should not be misinterpreted either. It would be best, of course, if we had no enemies of any kind, not even a long way off.

In Finland, undoubtedly, evenhandedness and symmetry are widely seen only as instruments in the management of a more important goal, the national interest. It is thus understood that a public stand may sometimes be dissymmetric, nor under any circumstances can evenhandedness be implemented or measured mechanically. Understanding this may, however, be more difficult abroad, and the renunciation of symmetry may provoke negative reactions to Finland.

The best way to prevent this reaction is to keep an eye open for situations in which we are confronted with the problems of symmetry and evenhandedness. We should not become involved in a troublesome affair when it can be avoided. When relations between the superpowers become tense, there is reason to honor the Paasikivi course of not getting mixed up in a superpower dispute--and why not also the statement by Kekkonen that it is better to serve in the role of physician/healer than that of judge.

12327

CSO: 3617/124

SCHOLAR COMPARES KEKKONEN, KOIVISTO ON 'NEUTRALITY' CONCEPT

Helsinki UUSI SUOMI in Finnish 14 Mar 84 p 3

/Unsigned article: "Neutrality Has Acquired New Meaning: Now Peace and Friendship Are Stressed"/

/Text/ The policy of neutrality pursued by Urho Kekkonen is taking on a new meaning in the time of Mauno Koivisto.

In his contacts with the Soviet Union Koivisto is emphasizing friendship and peace--not Finland's neutrality.

Krister Stahlberg, professor of common law at Abo Academy, made these observations while comparing Urho Kekkonen's book "Tamminiemi" and Mauno Koivisto's collection of quotations "Linjaviitat."

In the most recent publication of FINSK TIDSKRIFT Stahlberg concludes that the neutrality policy on behalf of which Kekkonen said he would fight to his last breath is acquiring at least a new name, perhaps a different meaning as well.

While Kekkonen considered neutrality an absolute value, it is difficult to find the same emphasis in Koivisto's speeches and interview statements, according to Stahlberg. Koivisto's foreign-policy motto has become: "Good relations with neighbors." The president does not speak, for example, about trust, neutrality or the YYA /Friendship, Cooperation and Mutual Assistance/ Treaty.

In the extracts chosen for the book "Linjaviitat" Koivisto did not speak once about Finland's neutrality in communications with the Soviets. On the other hand, in contacts with the West, Koivisto has mentioned Finland's neutrality five times since becoming president.

In addition Stahlberg has calculated that Koivisto has used the term neutrality less after becoming president than after the elections.

Jaakko Nousiainen, professor of political science at the University of Turku, has branded Stahlberg's comparison interesting but of secondary importance.

In the FINSK TIDSKRIFT article Stahlberg discusses whether the quotation selections made by Jaakko Kalela and Keijo Immonen were conscious, and hopes that

was not the case. In any event, on the basis of "Linjaviitat," Koivisto's policy of neutrality is not completely in equilibrium.

Stahlberg considers it quite clear that in "Linjaviitat" the picture of Finland's foreign policy which is given to the West is different from the one given to the East.

12327

CSO: 3617/124

KIVISTO DENIES SAYING WISHES TO RETIRE FROM POLITICS

Helsinki UUSI SUOMI in Finnish 16 Mar 84 p 3

/Unsigned article: "Kivisto Does Not Intend to Give Up Politics Yet, Says He Was Misunderstood"/

/Text/ Kalevi Kivisto, chairman of the SKDL /Finnish People's Democratic League/, is not giving up political activity. According to a new agency interview Kivisto was supposedly tired of politics and thinking of retiring.

In a clarification distributed to the communications media, Kivisto says that such information is based on a misunderstanding.

"In my political activity I have stressed the underlying notion that the assignments are positions of trust, for which no one is chosen permanently. Therefore, you always have to be ready to give them up," explains Kivisto.

"While I was stressing this, I didn't want to tie the conversation in with any matter of topical interest, and I have no plans pending for giving up my positions of trust. Coupling my standpoint of principle with the current situation is based on a misunderstanding," he says.

"Nor am I a candidate for any office. I am on leave from my position at the University of Jyvaskyla, and I will return to it after I am in due time released from my positions of trust," Kivisto specifies.

12327

CSO: 3617/124

FINNISH COMMUNISTS REACT TO PRAVDA CRITICISM OF SKP MODERATES

Helsinki HELSINGIN SANOMAT in Finnish 29 Mar 84 p 11

[Text] Moscow (STT)--In a short article that appeared on Wednesday the Soviet party organ, PRAVDA, sharply criticized Finnish Communist Party (SKP) first secretary Arvo Aalto and former chairman Aarne Saarinen.

The paper's commentator, A. Nikolayev, asks into whose hands they are playing, since they did not endorse the Soviet analysis of opposition to communism in Finland.

The paper commented on Finnish reactions to an article on opposition to communism in Finland published a month ago by the Soviet Journalists Association weekly, ZA RUBEZHOM.

According to PRAVDA, it is no secret to the Finnish public that conservative circles have for many years now tried to sow discord in the SKP, to lead it away from the path of the class [struggle] and weaken the communist movement.

As they see it, they can in this way stamp out the prospects of truly democratic forces and create conditions for Finnish-Soviet friendship built on the weakening of a stable foreign policy course, PRAVDA writes.

Agee's Statement

PRAVDA reminds us of a statement issued in Helsinki several years ago by former CIA agent Philip Agee, according to which the CIA's chief objective in Finland is to prevent an increase in the SKP's power to influence affairs and to disrupt the development of relations with the Soviet Union. The paper says that there is not the slightest reason to suppose that they might now have abandoned these goals on the other side of the Atlantic.

According to PRAVDA, Finland's democratic forces feel that the article objectively reflects those difficulties Finnish Communists have run up against these past few years. The article produced confusion in conservative circles. They had nothing to say about the substance of the problem.

PRAVDA went on: "Against this background the position publicly presented by certain conspicuous SKP figures, first secretary Arvo Aalto and former

chairman Aarne Saarinen, is at the very least peculiar. They actually defended "insulted" anticommunist forces. A. Aalto announced to the conservative press that the article "is unfounded" while A. Saarinen said that ZA RUBEZHOM exaggerated opposition to communism in Finnish and foreign reactionary activities aimed at crushing SKP prospects and unity. The question involuntarily arises: Into whose hands are these comrades' positions playing?"

In its 24 February article ZA RUBEZHOM accused Finnish conservative forces of systematically trying to intensify the SKP's internal disputes and condemned both Aalto and Saarinen in veiled terms.

At the time Finnish Communists in Moscow interpreted the article as a trial balloon with the aid of which Moscow wants to study the situation before the SKP congress.

Delegation to Finland

PRAVDA's Wednesday article is obviously a continuation of the ZA RUBEZHOM article. Now it appears that Moscow has decided to no longer show any sympathy for SKP moderate-wing leaders.

A high-level Soviet party delegation is expected to arrive in Finland soon to discuss the SKP situation. The delegation will probably arrive in mid-April.

11,466

CSO: 3617/131

LEADING DAILY SAYS PRAVDA ACTING TO WIDEN CP INTERNAL RIFT

Helsinki HELSINGIN SANOMAT in Finnish 30 Mar 84 p 2

[Editorial: "Lent Prestige"]

[Text] On Wednesday PRAVDA lent its prestige from Moscow to the party's minority faction in the SKP civil war. The chief CPSU organ branded Arvo Aalto and Aarne Saarinen despicable conservatives.

In PRAVDA's opinion, they no more than many others in Finland believed in the truth of the readers' column article which the Soviet journalist organization weekly, ZA RUBEZHOM, commented on a month ago. In it a new anti-SKP campaign observed in Finland was reported.

Saarinen and Aalto hastened to publicly endorse interparty competition in Finland's multiparty system. And they did not notice any particularly violent anticommunism or opposition to the Soviets in Finland either. Saarinen said that that article was inspired by the SKP Stalinists.

According to PRAVDA writer A. Nikolayev, however, such positions weaken the communist movement. He seems to be saying that the CPSU wants to make an iron, orthodox party that promotes revolution out of the SKP. In an authentic elite there is no room for weak sisters like Saarinen who have sympathy for their competitors.

Soviet newspapers' comments are, of course, gallows humor as read in Finland, but for Soviet editors they are dialectics under whose banner the SKP seems to be going to its spring congress. In reality they need not have anything to do with dialectics. There may not even be a connection between the two.

Undoubtedly the CIA is doing its best to split the SKP. However, that organization's services are scarcely needed now that PRAVDA itself is doing the job.

11,466
CSO: 3617/131

CP POLITBURO PROMISES TO SUPPORT ARMS PROCUREMENT PROGRAM

Helsinki HELSINGIN SANOMAT in Finnish 29 Mar 84 p 13

[Text] The Communist Party (SKP) is ready to support the appointment of a fourth parliamentary defense committee if its assignment involves the broad activation of Finland's security policy position.

Meeting on Wednesday, the SKP Politburo emphasized that the committee's mission should be to limit the drafting of a recommendation pertaining to arms procurements in the next few years.

In the opinion of the Politburo, especially the introduction of cruise missiles emphasizes the need for considering ways of strengthening our country's security under the changed circumstances.

According to the SKP position, the committee should discuss the development of defense policy principles and the main features of the different weapons in light of the new nuclear weapons systems.

In the Politburo's opinion, the committee's recommendations ought to include those security policy measures which Finland should initiate to strengthen its own security as well as peace and detente.

The SKP also proposed that a proposal be drafted for the improvement of recruits and Army personnel's socioeconomic status and the extension of their democratic rights.

The Army and defense policy are just about entirely beyond the reach of democratic control.

11,466

CSO: 3617/131

BRIEFS

CP PIONEERS' BLACKLIST—The SKP [Finnish Communist Party]-SKDL [Finnish People's Democratic League] organ, HAMEEN YHTEISTYÖ, which appears in Tampere, has censured children's participation in the party's factional split. The pioneer district had made its choice with clean slates and at the same time succumbed to divisions. "The roots of what has happened, of course, go back years and it is not our intention here to accuse this or that party. We had hoped, however, that children and teenagers' activities in particular in the guiding organizations would aspire to greater unity than in the adult organizations. But now, the situation is just the opposite. There is really reason to seriously consider what kind of future has been set in motion, a future whose children are already being trained in the direction of isolation and mistrust of other People's Democrats. Isn't the sowing of discord in teenager and children's organizations to be doubly condemned in comparison with other kinds of isolation?" [Text] [Helsinki HELSINGIN SANOMAT in Finnish 24 Mar 84 p 10] 11466

CSO: 3617/126

PANAGOULIS PRESENTS PLATFORM OF NEW CENTER-LEFT PARTY

Athens I KATHIMERINI in Greek 23 Feb 84 pp 1, 3

/Text/ Mr St. Panagoulis, independent deputy from Athens, criticized the government for its leftist rhetoric and rightist policy at a press conference, during which he announced the formation of a new party, the United Socialist Party of Greece /ESPE/. Mr Panagoulis presented himself as the party's single representative and made public the names of the 70 members of the secretariat of the founding committee. At the same time, he stressed that, politically, these persons are of the "radical center-left."

After his statement opening the press conference, Mr Panagoulis said in reply to a question that 10 days before the reorganization of the government, PASOK /Panhellenic Socialist Movement/ had suggested to him that he return to the government and to his former party. But, he added, he "refused any dialogue." There were several hundred persons at the press conference, which took place at the King George Hotel. The 70 members of the founding committee surrounded Mr Panagoulis.

The former under secretary of the interior in the first PASOK government made the following main points at his press conferences:

On 10-11 March, the national conference of ESPE will take place. It will elect the party organs, secretary general and central committee. It will also approve a party program and working organization.

The new party remains open to all democratic procedures and will keep its finances open to any representative of the press that wants to audit them. Mr Panagoulis himself was not presented as the new party's president but only as its representative.

The government has been surrounded by many persons outside Parliament who were absent from the struggles of the Greek people. Most of them returned to the country after the elections of 1981. The government is conspicuous by its number of members and its incompetence, so that in many ways it is continuing the policy of the right.

The government's failure has demonstrated its inability to bring about real change, and this is why there has been a crystallization of prospects for organized political activity by all who are being cut off from the ruling party. Of the members of ESPE, 65 to 70 percent left PASOK because of political and ideological differences, not because they did not gain positions in the state apparatus.

The danger of a reversal exists because PASOK policy has created favorable conditions for the return of conservatism.

PASOK policy is ostrich-like and insists on not sanctioning straight proportional representation. It is thus responsible for the return of conservatism.

ESPE will stand alone in the elections for the European parliament, but it is open to any talks, with any independent forces, for the purpose of collaboration based on equality.

The new party's policy on the bases and NATO is more prudent. It recognizes that Greece must leave the alliance, but only after it ensures the self-sustained development of its economy and defense industries.

As for the EEC, there must be a plebiscite after the people have been informed for 6 months about the pros and cons of Greece's membership. ESPE, however, is taking neither a pro nor con position.

Present at the press conference were former PASOK deputies I. Zafeiropoulos, who introduced Mr Panagoulis, and Mr Ag. Perdikaris.

The members of the organizing committee are preparing a slate of independent candidates, who will probably be called "liberals and democrats." Their purpose is to reorganize the democratic forces coming from the old center. The members made an announcement about all this to the public.

12570

CS0: 3521/190

PASOK PEACE GROUP CRITICIZED BY OWN SECRETARY GENERAL

Athens I KATHIMERINI in Greek 24 Feb 84 pp 1,3

/Text/ Yesterday, PASOK /Panhellenic Socialist Movement/ politician Thalís Mylonas made serious charges about events in the highest echelons of his party's peace organization, KEADEA /Movement for National Independence, International Peace and Disarmament/, of which he is secretary general.

The accusations by Mr Mylonas are primarily against Mr Khr. Markopoulos, president of KEADEA and Europarliamentarian from PASOK, as well as against deputy St. Tzoumakas. The accusations, however, also provide unusual revelations about the internal atmosphere of the organization.

More concretely, here are the accusations by the secretary general of KEADEA:

That Mr Markopoulos is pursuing a "policy of irrationality," because on the one hand he takes part in demonstrations against the bases and on the other hand he sends a telegram congratulating the prime minister on the signing of the agreement concerning the bases.

That the president of KEADEA is violating democratic procedures and making arbitrary decisions by invoking party directives and threatening dismissals. He also accuses him of using the organization solely for his own personal advancement.

Mr Mylonas explains that Mr Markopoulos derives his power in KEADEA from the Executive Secretariat of PASOK. According to a charge by Mr Tzoumakas (of the Executive Secretariat), he repeatedly tried--in a "fascist and Papadopoulos-like" manner--to force Mr Mylonas to resign, complaining about the manner in which Mr Mylonas carries out his duties.

Indeed, at the recent peace conference, Mr Markopoulos put forth his friend, Mr K. Papanagiotou, as secretary general in the absence of Mr Mylonas.

It seems, says Mr Mylonas, that financial help, offered to KEADEA by Mr Papanagiotou from the organizations that he directs, is making it easier for Mr Markopoulos to select him illegally to be secretary general.

In any case, concludes Mr Mylonas, it would be desirable if Mr Markopoulos told us how many millions of drachmas this rally cost, because it only served his own personal advancement through his repeated television appearances; it did nothing to help the country.

CHAPTER FROM TSATSOS BOOK ON PRESIDENT KARAMANLIS

Athen I KATHIMERINI in Greek 26-27 Feb 84 p 8

/Commentary on a chapter, and text of that chapter, from "O Agnostos Karamanlis" /The Unknown Karamanlis/, a book by Konstantinos Tsatsos, 1984: "The Unknown Karamanlis, a Portrait of the President by K. Tsatsos--the Steady Vision and Logical Results in the President's Policy"/

/Text/ One of the most significant chapters of "The Unknown Karamanlis," the book by former president of the Republic Kon. Tsatsos released this week, concerns both the positions and the policy of the current head of state on the idea of a United Europe and on universal political problems.

In the chapter entitled "Karamanlis, Europe and the World," the author explains the philosophy of Mr Karamanlis, on the basis of which he immediately foresaw the necessity of Greek membership in the EEC. Then Tsatsos analyzes the positions of the president of the republic on great international problems and on the world political situation in general.

This philosophy and these positions of Mr Karamanlis, who was prime minister for 14 years in all and is now completing his 4th year as president of the republic, have also, of course, determined Greece's steady foreign policy over the last 30 years. For this reason, I KATHIMERINI considers especially interesting the republication of this chapter from the book by Mr Tsatsos.

"A philosophical look at the world in geographic width and in historical depth guided Karamanlis in his decision to join Greece to democratic Europe. Historical fate had placed Greece at the root of this Western Europe. It had been essentially joined to that world for centuries. Greek values had become the values of Europe, just as today they govern the Western world. Now also does that same historical fate supervise the development of that material and spiritual bond and, in the future, the completion of that bond in a permanent political union.

"Just after the EEC was born, Karamanlis vowed to make Greece's membership in that community a permanent objective of his policy. The least of his concerns were the economic benefits, the economic necessity for Greece to join the community. Karamanlis immediately understood that decisive entry

into a united Europe would transform the frontiers of Greece into the frontiers of the federation of the free democratic peoples of Europe and would thus safeguard Greece's constantly threatened independence. Karamanlis believes that because of its geographic position, Greece has always lived with the mental anguish of a local war, which has forced it to seek protectors and guardians. He also believes that with entry into the EEC, Greece will be free from this mental anguish, so that no one will be able to attack Greece without inviting a general war. In addition, Karamanlis has understood that along with entry comes definitive security for our democratic state, because the democratic structure of the Community excludes every form of totalitarianism from all of its parts.

"Finally, Karamanlis believed that in order to survive and move forward after the burial of the 'Great Idea,' the nation needed a new ideal, new orientations and long-term pursuits. Along with entry into the EEC, all of these could constitute a new ideal, especially for our youth.

"Just after he returned to Greece in 1974 inspired by these thoughts, he began to struggle for the achievement of Greek entry into the Community.

"The cards that he brought to the negotiations were not many, but enough. It was the relative material prosperity, along with the sacrifice of many other pursuits, that he had to show our partners. He showed an economy that had gone past the barrier of poverty but no farther. He showed political stability that was nevertheless flawed by the recent 7-year dictatorship and by the anti-Western rallies of leftist forces. Still, he hid this weakness under the personal authority and guarantees offered by his strong presence. The confidence that his person inspired neutralized the lack of confidence that attached to the political instability and abnormality indigenous to Greece. Hence Giscard d'Estaing correctly said that Karamanlis, not Greece, entered the Community.

"Karamanlis, and Greece along with him, used only one irresistible weapon in this struggle: the historical and cultural presence of Greece throughout the centuries, to the point that it was considered absurd for a united Europe to exist without Greece, which had literally laid the foundation for European cultural unity. This weapon was wielded very skillfully by Karamanlis. And not with words and rhetorical digressions but with action. All of his cultural policy constitutes a persistent effort to reveal Greek civilization to the eyes of foreigners. He generously financed projects that reinforced Greece's cultural glory, precisely because he knew that foreigners esteem us not for our wealth or political stability but for our intellectual contributions--not just in ancient times but in medieval and modern times as well.

"Throughout this struggle he was positive and serious, and he never made a move that was disproportionate to our political dimensions. He was neither comically arrogant nor imploringly abject. To all who negotiated with him he gave an impression of responsibility and good faith. He never abandoned the moderation that is his great virtue and that is so often lacking in Greeks, although they were often the first to teach it--without practicing it.

"Others, however, including me if I had the time, might recount all the difficulties that he overcame to achieve his goal in 5 years. Now that I am only examining the appearance of Karamanlis, I can point out one other important thing: how much all of his political activity from 1955 until now constitutes a solid logical whole wherein every act is built on another, wherein every act follows another with consistency.

"Greece should have acquired the economic power that would have allowed it to take the first step in 1961, i.e., affiliation with the Community. Entry would have ensued much earlier had not the dictatorship interrupted.

"If we now consider the 8 years from 1955 to 1963 as a whole, we can view them as a period of escalating preparation that made the ensuing steps strong ones. The steps were many and difficult, but we can appreciate them by viewing them in hindsight as steps characterized by logical consistency, a steady line and far-sighted political vision.

"More proof of this internal consistency is found in a letter that I cited even then, when it was sent on 12 July 1945 to Georgios Avtzis. That was 38 years ago, when Karamanlis himself was 38. Were it not for the date on this letter, a historian might think that it was written in the last few years. It presents the political thought of Karamanlis as unchanging in its basic characteristics."

12570

CSO: 3521/191

TWO POLLS CONFIRM TREND: CONSERVATIVES GAINING SUPPORT

Oslo AFTENPOSTEN in Norwegian 26 Mar 84 p 2

/Editorial: "Two Polls: Food for Thought"/

/Text/ Two political opinion polls which were published before the weekend--from Norwegian Market Data and the Market and Media Institute, respectively--confirm that the Labor Party is having problems mis-a-vis its constituents. Both institutes report a falloff in support for the Labor Party in February.

According to MMI a drop of 2.5 percent for Gro Harlem Brundtland's party can be noted in the course of a month. Norwegian Market Data, which seldom deals in big and dramatic effects, confirms in turn that the Labor Party has had a steadily declining tendency since November of last year. This tendency seems to be continuing.

Another fundamental feature of the latest opinion polls is the gain for the Conservatives, the largest of the government parties. Even if the record jump from 29.9 to 33.2 percent--measured by MMI--probably ought to be taken with a grain of salt, the trend is clear: steadily increasing support since the setback last autumn.

The Conservative Party is in the process of recapturing lost ground, as the political alternatives become more obvious. It must be expected that, faced with a new government election in 1985, persons with nonsocialist inclinations will to an additional degree indicate their standpoint on the main issues in the political development. It seems natural that it is first and foremost the Conservative Party which will benefit from this.

The government coalition as a whole is fortifying its position, a fact which is primarily due to the growing support for the Conservative Party. The Center Party has stagnated at under six percent, while the Christian Democratic Party is clearly on the rise. With a firm policy in the major political questions, combined with a reasonable degree of self-advertisement, government collaboration ought to be able to yield a profit for both middle parties.

A problem for the Center Party, more so than for the Christian Democratic Party, is the divergent opinions which constantly find expression in the party leaders. When Center Party Chairman Johan J. Jakobsen for his part stands out as a

consistent spokesman for the Government's collective policy, while one of the deputy chairmen sees it as his special task to dissociate himself politically from the same government, then it goes without saying that this must give an impression which is confusing and which inspires little confidence.

We hope that the Center Party will be able to straighten out this internal problem, above all for the sake of the party itself. The government's policy is, of course, also the Center Party's responsibility, just as much as it is the Conservative Party's and the Christian Democratic Party's. There should not be a shadow of doubt about this, and you will find none in Jakobsen or in the other party chairmen. Political credibility presupposes that you know what you want, and that you take the consequences of your viewpoints.

What is most uplifting in the latest opinion polls is that the Labor Party's scare tactics and constant disparagement of everything the government undertakes are not having the intended effect on the voters. If people had believed the claim about "dismantlement of the welfare state," the results would probably have been far greater than those the opinion polls have been able to notice so far. Maybe--just maybe--political accountability still pays in the long run.

12327

CSO: 3639/96

POLL SHOWS CONSERVATIVE PARTY RECOVERING FROM ELECTION LOSSES

Oslo AFTENPOSTEN in Norwegian 31 Mar 84 p 3

[Article by Egil Sundar]

[Excerpts] The Conservatives continue to gain while the Labor Party has lost more ground. This is shown by the latest Norwegian Opinion Institute opinion poll for AFTENPOSTEN, carried out in the period of 10-25 March. At a time when the Labor Party is mobilizing all its propaganda forces to sow seeds of doubt in the government and especially the Conservative Party, we find that the voters are showing increased support for the party of Willoch, Benkow and Norvik. A Conservative wind is once more blowing over Norway.

With a support level of 30.3 percent in March, the Conservative Party has reached the same high level at which the party found itself for a long time until the setback in the municipal and county elections last September. After a record low of 23.9 percent in October, support for the Conservative Party has shown a steadily rising tendency. The passing of the magic 30-percent mark denotes a new political situation in which the Conservatives are again approaching the Labor Party in size. In the period leading up to the Storting election next year, relations between the two major opponents will be given increasing scrutiny by the voters--and all the more because we are also confronting a decisive government election of far-ranging importance for future political developments in our country.

An important feature of the latest opinion poll is that the decline for the Labor Party seems to be continuing in spite of the fact that the party has rolled out its strongest guns against the government's policies. It is true that this is not a big dramatic shift, but a weak falling tendency that began last November and has continued ever since up to the latest figure of 38.6 percent in March.

It is probable that the declining support for the Labor Party has several coinciding reasons and since the shift has been relatively small from one poll to the next, no single issue or single event could have led to the decline. Recent developments have rather demonstrated that the Labor Party slogan-saturated policies have not made enough of an impact and that to some extent the effect has been the opposite of what was intended. If the Labor

Party had been able to convince the voters that the party's alternative could solve today's problems, it goes without saying that the opinion polls would have given an entirely different result.

What we can say with certainty is that the Labor Party's repeated attempts to alarm the public have not had any impact. It is obviously impossible to frighten ordinary informed people by saying that the government is going to wipe out all the benefits that have been created by mutual effort and that a large political majority has pledged to maintain. If the Labor Party decides to continue the uncontrolled denigration of everything the government does, a propaganda that at times produces the most grotesque outbreaks, it may have a backlash effect on the party itself.

The relationship between the three government parties on the one hand and the socialist bloc on the other is almost unchanged since the last poll. The Christian People's Party got a rating of 8.3 percent this time, compared to 8.9 last time, while the Center Party got 5.5 percent in March, a decline of 0.8 percent.

According to the Norwegian Opinion Institute/AFTENPOSTEN poll, the tendency in these parties is fairly stable, but apparently it is not easy for them to acquire increased support.

While the Conservatives have gained support in all polls since October, the trend for the Progressive Party has fallen steadily in the same period. The present balance of strength among parties shows that we have returned to more "normal" conditions.

Poll Results

Question: If you were voting in a Storting election tomorrow, which party would you vote for?

<u>Party sympathy</u>	<u>Storting</u>	<u>County</u>	<u>Jan 84</u>	<u>Feb 84</u>	<u>Mar 84</u>
	<u>election</u>	<u>elections</u>			
	<u>1981</u>	<u>1983</u>			
Labor Party	37.1%	39.2%	39.8%	38.6%	38.5%
Liberal People's Party	0.6	0.7	0.3	0.1	0.5
Progressive Party	4.5	6.3	7.2	6.0	5.8
Conservative Party	31.8	26.2	27.4	29.4	30.3
Christian People's Party	9.4	8.7	8.7	8.9	8.3
Norwegian Communist Party	0.3	0.4	0.4	0.4	0.2
Red Election Alliance	0.7	1.2	0.7	0.6	0.9
Center Party	6.6	7.3	6.0	7.4	6.6
Socialist-Left Party	5.0	5.3	5.7	5.5	4.8
Liberal Party	3.9	4.4	3.5	3.0	4.0
Others	0.2	0.3	0.4	0.1	0.0
Total	100.1	100.0	100.1	100.0	99.9

<u>Party</u>	<u>Storting election 1981</u>	<u>County elections 1983</u>	<u>Jan 84</u>	<u>Feb 84</u>	<u>Mar 84</u>
Labor + Socialist-Left	42.1%	44.5%	45.5%	44.1%	43.3%
Conservatives + Christian					
People's Party + Center	47.8	42.2	42.1	45.7	45.2
Labor + Socialist-Left +					
Red Alliance + Communists	43.1	46.1	46.6	45.1	44.4
Conservatives + Christian					
People's Party + Center +					
Liberal People's Party +					
Liberals + Progressives	56.8	53.6	53.1	54.8	55.5

The figures indicate how many would vote if a Storting election were held tomorrow among those who are certain they would vote. Respondents were also asked which party they voted for in the 1981 Storting election. The difference between support for individual parties in response to this question and the actual election results in 1981 was used as a weighting factor.

The results were based on interviews with 940 eligible voters in the period from 10 to 25 March 1984.

Oslo, 30 March 1984. Norwegian Opinion Institute, Inc.

6578

CSO: 3639/98

MUMCU ON FLUCTUATIONS IN POLITICAL 'FASHION'

Istanbul CUMHURİYET in Turkish 29 Mar 84 pp 1,11

["Observation" column by Ugur Mumcu: "Political Fashion"]

[Text] Some of our friends who have veered off leftism since the local elections have begun developing interesting theories. For a long time they had been trying to find a theoretical basis for their insane adulation of Turkish-style liberalism in the name of "civilian society." Now they believe they have found that theoretical basis.

Since the people want the Motherland Party [MP], the intellectuals were wrong. Is that not right? The elections results are explicit. What need is there for grumbling?

In the last 20 to 25 years we saw the emergence of an outlook and an ethical concept which we can describe as "party etatism." The events of the last 25 years slowly taught us with concrete examples what rightism, leftism and liberalism mean--or rather what they do not mean. Those who are churning the melting pot of philosophy today sailed with the winds of leftism when the Turkish society was opened up to the left by the 27 May revolution. They were given seats of authority when social democratic movements stepped into the government, and later, when the government was defined in terms of the money-credit system, they took shelter under the wings of the financial oligarchy.

Meanwhile, some of them, intimidated by the problems their leftism had caused them, sharply veered off their leftist course and began performing ballets of liberalism to the tunes of Turkish folk music in an effort to win applause from the system they were swearing at until yesterday.

None of them devoted as much time and space to, say, freedom of thought and organization or, for example, the Higher Education Council registers which index faculty members as they did to writing about "Rocquefort cheese." Their liberalism got stuck at the letterheads of IMF recipes.

Quests for such transient theories are in vain. Because what we call "theories" do not change from one day to another.

Look at the election results: Do election results change in time? Yes they do. The most recent example of that is the Populist Party [PP]. The PP which

received 30 percent of the vote on 6 November has been wiped out today. The Nationalist Democracy Party which received 23 percent of the vote on 6 November has also been eliminated. Only 5 months have elapsed since the 6 November elections. Is not a theory that lasts for only 5 months a little too fragile?

Let us give other examples from further back in the past.

The Republican People's Party won 31 percent of the vote in the local elections of 1968, and it increased its share to 39 percent in the 1973 elections and to 46 percent in the 1977 elections. The Justice Party, which won 46 percent of the vote in the 1968 local elections, saw its share decline to 34 percent in 1973 and rise to 38 percent in 1977.

A new phenomenon is observed in Turkey in recent years. The people have given the MP a full mandate for one electoral period to implement the liberal capitalist model. This mandate which was first given on 6 November was reaffirmed on 25 March. All necessary conditions have now been created to permit the MP to implement its program liberally in the next 4 years.

There is also an alternative to every viewpoint and implementation. Intellectuals who are in the minority today are trying to formulate that alternative. In politics, minority views have frequently been seen turning into a majority, and, conversely, majority views have frequently been seen turning into a minority. The fact that a particular viewpoint is in the minority does not always imply that that viewpoint is wrong. This is a marathon run. Scorning and belittling minority views is equivalent to blocking the development of the society.

It is well known what societies can be dragged into by an economic outlook that is deficient in the liberalism of thought. That is why there is incalculable benefit in clearly stating alternatives particularly in days such as these. The opposition is a safeguard for the government as well. It is a safeguard because the mentality that eliminates opposition to itself will some day have to live with that same opposition within itself. This must never, never be forgotten.

Those who want to establish a "civilian society" in Turkey must first of all build up an opposition whose purpose is to expand the limits of democracy. A civilian democracy will win acceptance when republicanism takes on flesh and blood and when people start governing themselves. Is this not the meaning of "pluralist democracy"?

The economic model expounded by our former well-heeled leftists in the name of "civilian society" is only implemented by authoritarian regimes around the world. But who cares?

These gentlemen are too busy with exporting theories mixed with crumbs of philosophy in their mind-set of "Ozal is the only way", like the stubborn young men who said "revolution is the only way."

This is because this is the "political fashion" today. The sound of this drum will certainly be heard differently tomorrow.

LOCAL ELECTIONS LINKED TO TURKEY'S EUROPEAN IMAGE

Istanbul MILLIYET in Turkish 29 Mar 84 p 2

["World View" column by Sami Kohen: "Beyond Local Elections"]

[Text] Local elections usually do not arouse too much international interest. Furthermore, the results of such elections do not influence a country's foreign policy and international relations.

Consequently the world press provides very little space to local elections--even those held in Europe.

The great interest shown by foreign circles, with their press, parliamentarians and diplomats, to the local elections in Turkey is highly uncommon.

This is because, rightly or wrongly, a "national" significance is attached to these elections that goes beyond their "local" character. The world--Europe in particular--sees these elections as a "test of democracy" in Turkey and has closely followed the developments since the beginning of the election campaign.

Perhaps this is the first time that a local election has been "monitored" on the spot by so many foreign journalists, parliamentarians, observers and diplomats.

In coming to Turkey, all these foreigners were seeking answers to questions on their minds. Would the elections be fair and democratic? Would all parties be allowed to conduct their campaigns freely? Would the party in power maintain its electoral support or would it lose ground? Would parties not represented in the parliament be able to emerge as a strong opposition?

We now know that the answers to all these questions turned out to be affirmative. In other words, the world has given a "good grade" to Turkey's performance in this political test.

We learned from our conversations with certain foreigners that the primary issue foreign circles were interested in--other than whether the elections would be fair and democratic--was the common sense of the Turkish voter. Foreign circles interpret the results of the elections as a mandate given to the government to continue the new economic and social program that has begun to be implemented and to maintain political stability.

The recent parliamentary elections had given rise to doubts among some foreign circles. Although the Motherland Party's unexpected victory and Turgut Ozal's

subsequent rise to power surprised those who thought the elections were "rigged" and dispelled such preconceptions, there were those who maintained their doubts even after the new government took office.

Now the results of the local elections have dispelled all doubts that existed outside about the "legitimacy" of the government. As one BBC commentator described it, the results of these elections--in which all parties took part--have confirmed Ozal's success last November and the acceptability of his government.

Even officials of several European organizations which have been very sensitive about political developments in Turkey lauded this outcome. Leading figures in the Council of Europe [COE] and the EEC have described the outcome of the elections as a major step taken by Turkey on the path of democracy. Western and Arab businessmen have predicted that the Ozal government will be able to implement its economic policy with more ease thanks to the vote of confidence it has received. The foreign press has written that with these elections Turkey has returned to a "pluralist" democratic system.

In short, the local elections have given a boost to Turkey's reputation abroad.

The outcome of the local elections should not be expected to produce any changes in Turkey's foreign policy, but the new situation will probably have a positive effect on Ankara's relations with Europe.

A relaxation of tensions may now be expected in Turkey's relations with the COE and other European organizations. As COE President Karasek stated, "The outcome of the elections is equivalent to the confirmation of Turkish parliamentarians in the COE. This situation will make the final recognition of Turkish parliamentarians easier."

During the last election campaign, Ozal said in response to a question about how the elections would contribute to Turkey's relations with the West: "Our relations with the COE will return to normal and our ties to the EEC will become more orderly."

This is exactly what is expected from these organizations now. By declaring that "the COE should embrace the Turkish parliamentarians rather than rejecting them", THE TIMES [of London] indicated that a major portion of the European public shares this expectation with Turkey.

Of course, there are still certain foreign circles which have not found even these elections satisfactory. Ozal said in his latest statement: "They will never stop. They will look for other pretexts. But we got accustomed to them."

Naturally, it is Turkey which will prove its commitment to human rights and its determination to develop its democratic system--just as it has done so with the steps it has taken on this path so far.

And it has not taken those steps to look pretty to those preaching from outside.

LOCAL ELECTIONS SPARK POPULIST PARTY DISARRAY

Istanbul MILLIYET in Turkish 29 Mar 84 p 3

[Excerpt] Ankara--On the third day after the local elections Sunday, the political battle scene featured primarily the contention between the Populist Party [PP] and the Social Democracy Party [SODEP].

While implementation-oriented work continued silently at the victorious Motherland Party, according to Nationalist Democracy Party [NDP] Secretary General Dogan Kasaroglu "a complete silence is ruling over the NDP at the moment."

Meanwhile, more definite details began to emerge yesterday about two unrelated developments within the PP. While the PP parliamentary group issued a statement heavily criticizing SODEP, a number of young PP deputies began drafting a statement condemning the party leadership.

PP Statement Criticizing SODEP

The PP group in the National Assembly yesterday issued a declaration sharply criticizing SODEP and its leader, Erdal Inonu. Charging that SODEP is knowingly serving the interests of the right, the declaration accuses Inonu of disregarding ethical rules in politics.

The text of the declaration, which was issued by the unanimous vote of the PP parliamentary group, is as follows:

"The irresponsibility shown toward the social democratic movement by SODEP leaders during the 6 November elections was repeated in a different scenario at the 25 March elections for the personal interests and expectations of a certain political cadre and not for a certain ideology.

"From that standpoint, the results of the 25 March elections do not constitute success for SODEP, but are a loss of strength for social democrats, and the blame for that rests with SODEP and its entire leadership.

"As reported in the press on 27 March 1984, the SODEP leader's declaration that the first issue they will deal with will be the normalization of the existing opposition to the government--a declaration disregarding the Constitution and the expression of our people's will on 6 November--is seen as a quest that exceeds his power, authority and abilities.

"The SODEP leader's statement to the effect that they 'may be represented in the parliament thanks to our friends in the PP' combined with a newspaper report on the same date stating that 'and now we will try to win over at least some of the deputies of this party, that is the PP, in the parliament and we will try to form a group in the National Assembly' are indications that the SODEP leader has taken on a mentality which disregards the provisions of the Constitution, the principles of legitimacy and the ethical rules of politics. We hope that the SODEP leader will realize that his stance runs counter to Honorable Ismet Inonu's fundamental premise that politics should be carried on on a legal basis and that such activity should conform with the rules of ethics and legitimacy.

"SODEP, which has been trying to block the path to becoming government opened by the PP for the social democratic movement on 6 November, must feel embarrassed for decimating this movement by its behavior at the local elections and by the stance of its leader, thus knowingly helping the right a second time.

"SODEP and its leader must know that the PP, the main opposition party, is continuing to perform its duties with its 117 dedicated deputies and will continue to do so honorably and that this party sharply condemns conspiracies plotted outside its circle."

Second PP Statement

A second declaration was issued within the PP with the participation of certain PP deputies and vetoed former party founders. The declaration, which carries the signatures of Engin Aydin, Turhan Temucin, Aytekin Yildiz, Ismet Canturk, Avni Guler, Niyazi Aras, Mucip Atakli, Cabir Irmak, Abdullah Kurkut and Fahri Ozdilek, charges that at the local elections the people retracted the mandate they had given the PP on 6 November. The declaration makes the following demands:

"The resignation of Mr Calp in keeping with his public promise; the resignation of the party chairmanship council; the dissolution of all PP organizations to pave the way for reorganization; and the restructuring of the party's central decision and administrative councils."

It has also been disclosed that the deputies who signed the declaration will nominate a new candidate for the leadership of the party. It was learned that Istanbul Deputy Mucip Atakli, who is being considered as a nominee for the leadership of the party in assembly anterooms, will wait for developments to make a decision.

Young PP Deputies

After it was announced that the PP's central decision and administrative organs will meet on 1 April to evaluate local election results, some young PP deputies began drafting a petition demanding the invitation of the party's founders' council to the meeting and the participation of party deputies in the meeting.

Noting that according to the law, the founders' council can perform congress functions until the party's general congress is held and that, furthermore, assembly deputies are natural members of the founders' council, the deputies told MILLIYET:

"There is an administrative problem in our party. The existing chairmanship council is trying to resolve this problem with the help of the central decision and administrative organs. However, at the moment the party has no properly functioning organs other than its 117-member assembly group. Thus, the participation of this group is needed in the quest for a solution to the problem. If the administrative council does not invite to the said meeting an expanded founders' council which will include the party's assembly deputies, then we will try to achieve that result by collecting signatures. A 20-percent signature rate is sufficient to force such an invitation."

Ozkaya: 'We Can Unite with SODEP Under PP'

Gunseli Ozkaya, the deputy leader of the PP, said: "We can unite with SODEP under the PP standard."

Stating that the PP's 117 assembly deputies are working hard not to disappoint the people in their confidence in the party, Ozkaya charged that a party which is not represented in the National Assembly cannot serve the people adequately. He said:

"The unification of social democrats under the standard of a party that has elected deputies in the assembly is more rational and useful than their unification under the standard of party that is not represented in the Grand National Assembly. The nation can be served more easily that way."

How Will Calp Return?

Following PP leader Necdet Calp's announcement that he will resign after election results are announced and his subsequent retreat from that position upon the insistence of the party's administrative body, the PP leadership is seeking an "interim formula."

Party administrators said: "If Calp has to resign because he promised to, then he can do that. But then, the founders' council will meet and will reelect Mr Calp as the party's leader."

Meanwhile, Umit Teoman, who was elected as PP secretary general when the party was founded, but who was vetoed as a founding member, said in a statement yesterday: "Mr Calp would rise in stature if he had resigned."

Teoman also criticized the PP administrators' stance on Calp's resignation and said:

"They believe and want others to believe that Mr Calp's resignation will bring the party to the brink of dissolution. Such an outlook can only serve to drive the party away from being a party of principles and teamwork and toward being a party of personalities. This can lead to a crisis of confidence in the party. Does the administration of the party not carry any blame in the defeat of 25 March? If those governing the party had joined the party's leader in his exemplary stance, rather than dissuading him from resigning, they would have contributed to the party's development. The first step that must be taken at this stage is the resignation of the party's leader and administrators."

Calp: 'I am Waiting'

PP leader Necdet Calp claimed that the uneasiness in the party resulting from the outcome of the local elections is artificial and said: "What is important is not whether I will or I will not step down."

Calp continued:

"I will speak after the dust has settled down and matters have been clarified. Right now I am waiting.

"What is important is not whether I will or I will not step down. What is important is the country's welfare. This party's administration may change tomorrow. It may be replaced by new cadres. Such developments are natural. My resignation at this stage is like throwing a rock into a pond. The resulting waves will spread out one after the other. I am receiving telephone calls asking me not to resign."

9588

CSO: 3554/197

BUNDESWEHR REPORTED DEVELOPING LASER WEAPON

Bonn DIE WELT in German 13 Mar 84 p 4

[Article by Ruediger Moniac: "Germans Developing a New Laser Weapon"]

[Text] In the next few years a success which seems almost revolutionary can be anticipated in the FRG's defense development. By 1986 a group of companies intends to manufacture a laser weapon for the Ministry of Defense and couple it with target tracking so that even rapidly movable targets can be hit across large distances. With this the FRG would likewise be able to show results which thus far have been achieved in a special area only in the United States, and might even exceed them. U.S. experts confirm that the FRG achieved extremely high accomplishments in the sector of lasers which work on carbon dioxide gas.

Experts expect that directed-energy weapons which work on the laser principle can be ready for tactical use in about 5 years and will then be in a position to blind or even to destroy military sensors for reconnaissance and target acquisition at distances up to 20 kilometers. In 5 to 10 years laser development will be so advanced that destruction of light armor, helicopters, airplanes, drones and missiles over distances up to 10 kilometers can be expected.

A Tactical Weapon

Bernd Wilz, CDU Bundestag deputy, who made up-to-date material about the development of laser weapons available to DIE WELT stated in addition that the Bundeswehr must pay considerable attention to this new kind of armament. It promises a completely new kind of military defense planning. "Laser guns" destroy very precisely whatever they are aimed at. Thus, according to the principle of proportionality only the intended target would be destroyed in a war action. This apparently opens up the way for further "humanization of military law."

In contrast to the United States and the Soviet Union, where laser technology is also planned for strategic use and thus against intercontinental missiles, defense development in the FRG thus far is restricted totally to tactical use "on the battlefield." A disadvantage of this technology is its dependence on conditions of visibility and weather. Since a laser beam spreads in a manner similar to that of normal light, fog, rain, snow and poor visibility

are significant factors in limiting the range of laser weapons which are used on the earth's surface. In respect to strategic use they would have no role in space. Thus, in the opinion of experts, a tactical laser weapon would never completely replace other weapons.

Higher Firing Cadence

One study which investigates the tactical use of laser weapons in the army, navy and air force is currently in progress at the Ministry of Defense. Experts see very promising possibilities, for example, in air defense. Laser guns could protect both stationary facilities as well as movable units from air attacks. In combination with guns and guided missiles a defense system which is probably impenetrable could be established with the help of directed-energy weapons. The laser gun would have to blind high-altitude reconnaissance planes and also low-flying helicopters over distances up to 10 kilometers. It would also destroy incoming and drone-missiles even at the shortest range.

The special advantage of the laser gun might perhaps be its firing cadence which compared with traditional weapons is very much higher so that it continues to be successful even in the case of swarms of attacking missiles. For the navy the high reaction time is likewise of extremely great importance. Thus, boats and ships would surely be protected from low-flying missiles ("sea skimmers") which, because of the way they approach, cannot be detected until the last minute.

The laser which was developed in the FRG for military purposes will, according to informed sources, be so light that installation in helicopters is also conceivable.

12124

CSO: 3620/224

MINISTER URGES DEFENSE COMMISSION STUDY UNIT ORGANIZATION

Helsinki UUSI SUOMI in Finnish 12 Mar 84 p 3

/Unsigned article: "Task For Defense Committee: Army Organization May Be Checked"/

/Text/ In the opinion of Defense Minister Veikko Pihlajamaki (Center Party) a study of the Defense Forces' organization in the near future could be one task for the fourth parliamentary defense committee, if the committee is appointed soon. Pihlajamaki thinks that the starting point should then be to consider, along with the military aspects, promotion of regional and social equality as well as aspects of regional policy.

According to Pihlajamaki the problems brought about by the diminishing age classes of conscripts, among other things, are causing pressure for changes in the organization of the Defense Forces and in the placement of troop divisions. Pihlajamaki, who spoke on Sunday in Kortesjarvi at the annual celebration of the Kokkola military district, noted, among other things, that at the beginning of the 1990's the conscript age class will decrease to about 26,000 men.

At that time twice as many reserves and conscripts should be trained yearly, if the recommendations of the third parliamentary defense committee are carried out.

12327

CSO: 3617/124

ARMED FORCES SELECT T-72 AS MAIN BATTLE TANK

Helsinki KANSAN UUTiset in Finnish 17 Mar 84 pp 2-3

[Article by Jukka Parkkari]

[Text] Finland is buying state-of-the-art T-72 battle tanks, which at the present time constitute the Warsaw Pact and Near Eastern countries' most effective armored equipment, from the Soviet Union.

We have not yet received official confirmation of the new tank sale, but, according to VIKKOLEHTI reports, it is expected to be completed as soon as a few months from now when negotiations are concluded.

A team of Finnish tank corpsmen will probably leave for the Soviet Union before the year is out to receive training in the use of the new tank. The modern, Soviet-built tank will replace the T-54 and T-55 tanks previously procured from that same country.

The arguments for purchasing the new tank are to be found in the Third Parliamentary Defense Committee (PPK 3) report in which, when speaking of military equipment procurements for 1982-1986, they state in eight words: "The renewal of our armored equipment will begin."

There is at present not yet any reliable information on the number of T-72 tanks to be procured, nor on price. Appropriations specifically designated for them are not to be found in this year's defense budget.

As usual, the procurements and also payments for them will be distributed over several years time. The old tanks will be exchanged for the new ones as the T-54's and T-55's are, practically speaking, driven until they fall apart.

Ground Forces Decade

For the PPK 3's 5-year recommendations period and its extension, they have planned a special "ground forces decade" in the Armed Forces. In the two earlier defense committee recommendations the main emphasis was laid on the development of naval defense first and then air defense.

In the PPK 3 report they among other things state: "The most important area for the ground forces to develop is the improvement of defense troops' operational capability. Development must thus focus on seeing to it that these troops can be prepared from the standpoints of mobility, firepower and combat endurance to be capable of engaging in mobile military operations against a modern enemy. First and foremost, this requires that they be equipped with light armored carriers...."

This was the basis for initiating the new armored equipment procurements. A year after the publication of the committee report the new BMP-1 assault tank, which can transport a squad of infantry under the protection of its armor, was purchased for this country.

After that the next new procurement was the ordering of an armored personnel carrier from Finland. Sisu won out over Valmet in a sharp competition in which prototypes built by both firms were carefully tested.

Sisu's carriers are capable of moving in water and especially suited to cross-country use. They can also be equipped with different kinds of weapons, for example, with antitank missiles. Just a few dozen of these experimental model armored carriers were ordered — and some of them are destined for the UN troops — but it is estimated that implementation of the defense troop plan drafted by the defense committee will require the procurement of about 400 Sisu carriers. They do not feel that it is absolutely out of the question for them to succeed in selling these armored vehicles abroad.

T-72 Interests Western Countries

With the exception of the domestic armored carriers, even in the near future Finland's armored equipment will be completely Soviet-built. The choice of the T-72 as the new battle tank strengthens this policy.

In addition to the above-mentioned armored vehicles, our country's armored troops already have several of our Eastern neighbor's vehicle types, like the BTR-50 and the BTR-60, which the Sisu will in part replace. Furthermore, the PT-76 armored reconnaissance vehicle and lead tanks, bridge tanks, et al. are yet to come.

During the past few years the new T-72 battle tank has been the object of particular interest on the part of the Western powers. This type of vehicle appeared to a certain extent in the Bekaa Valley battles when, in connection with its "Peace for Galilee" operation, Israel also had to fight against Syrian troops in 1982.

An Israeli objective was to capture an intact T-72 tank, but, as far as is known, they did not succeed in doing so. On the other hand, the Israelis succeeded in capturing several dozen T-62 tanks from the Syrians. In its procurements Finland has disregarded this successor to the T-55, which is much in use nowadays.

One Man Less

The T-72 represents a considerable improvement in comparison with Finland's current battle tank, the T-55. Some data on the new tank follow; the corresponding data on the T-55 are in parentheses:

Battle weight, 40 tons (36); length, 7.4 meters (6.5); width, 3.3 meters (same); height, 2.25 meters (2.3); cannon, 125 mm (100); engine capacity, 1,000 HP (580); and speed, 80 km/hour (50).

On both tanks armament also includes a 7.62-mm machine gun, but on the T-72 there is in addition a 12.7-mm antiaircraft machine gun. The older tank has a crew of four; thanks to an automatic loading device, the new tank gets by with one man less. The T-72 also has an operational range that is considerably greater than that of the T-55.

What We Need Tanks For

But what does Finland need heavy modern battle tanks for? It has been constantly asserted that swamp and forest-covered Finland is no terrain for tanks, with the exception of Lapland and some open expanses in Southern Finland.

Earlier, the Armed Forces justified tank procurement on the basis of the fact that they are the most effective weapons against any tanks that may invade the country. They have made up for the lack of long-range antitank defense with long-range gun barrels mounted on the tanks. Now, however, they have just procured from both the Soviet Union and the United States new antitank missiles with which tanks can actually be destroyed even a bit farther off than with the T-72's cannon.

A relatively modest number of the new, expensive missiles have been procured, but they are also going to procure new, expensive tanks. In Finland there have usually been very few tanks — a few hundred — in comparison with the number of regular Army men mobilized.

It appears that in the General Staff they now regard the armored units primarily as a sort of powerful counterattack weapon with which they can strike back against, for example, an invasion of the coast. In peacetime armored units are mainly concentrated at Parola, from which point they can quickly, among other things, reinforce the defense of the capital, which the PPK 3 report cites as one of the chief missions of the ground forces.

But how much will these tanks cost? Neither the unit price of the T-72 nor the number involved will ever be accurately reported; the seller of the weapons alone would demand this. The price of a domestic armored carrier is reported to be about 800,000 markkas apiece and a regular battle tank, of course, costs many times that amount.

But if and when these tanks are purchased, it would be most advantageous to procure them from the Soviet Union, since such a purchase will equalize the trade balance and provide jobs for Finns through a bilateral sale.

SUPPLEMENTARY BUDGET INCLUDES FUNDS FOR BORDER GUARD BOATS

Helsinki HELSINGIN SANOMAT in Finnish 24 Mar 84 p 6

[Article: "Government Sends Supplementary Budget to Parliament: Government Markets Grain and Orders New Icebreaker"]

[Excerpts] On Friday the government sent Parliament this year's first supplementary budget proposal, whose grand total was 251 million markkas.

The marketing of grain surpluses accounts for the lion's share of the supplementary budget funds. They involve 202 million. It was also decided to order a new icebreaker.

The Maritime Administration will order a new icebreaker before the year is out. The icebreaker will cost a total of 235 million, but only 15 million will have to be paid this year.

Most of the supplementary budget expenditures will be covered by national expenditure surpluses, which add up to 163 million. Then there will be a government expenditure supplement of only 88 million.

Help for the Shipyards

To ease the nation's grain supply funding situation, the government is proposing that borrowing authorizations be increased by 200 million markkas.

Aside from the grain surpluses, the government has been concerned over employment at Finnish shipyards. According to estimates, the shortage of orders will probably trim shipyards' labor force from 17,000 to 11,000 workers this year unless something is done.

According to the government, shipyard employment will probably improve again next year and the one after that when Soviet trade begins to have its effect.

To keep manpower reductions from being carried out with threatening magnitude, the government is proposing that some domestic ship procurements be scheduled. This will require a total of 307.5 million, but only 39 million will have to be paid this year.

The supplementary budget authorizes the Maritime Administration to order an icebreaker, which would replace the obsolete Karhu class icebreakers. The delivery date would be January 1986. The purchase price would be mainly paid in two installments, in 1987 and 1988.

According to the proposal, the Maritime Administration would order four pilot cutters and two new contact vessels to replace the "Kumlingen" and the "Uto" as well as a new channel and oil-collection boat.

As for the border patrol establishment, it would receive authorization to procure another light Coast Guard ship. The first light class ship has already been ordered. The authorization to order a prototype of the heavy class is included in this year's budget.

The Defense Ministry would receive authorization for 20 million markkas in new orders and contracts for new navigational equipment, with this year's payments coming to only 8.5 million.

Officer to Stockholm

In the supplementary budget it is proposed that a lieutenant colonel's post endowed with a basic salary be established for the special delegation that is to engage in the CSCE in Stockholm.

In the government's opinion, military policy concerns are of such major importance at the disarmament conference that the duties of an expert require that an officer be sent to the conference.

11,466
CSO: 3617/126

MODERATE COMMUNIST ORGAN ON TASKS FOR DEFENSE COMMITTEE

Helsinki KANSAN UUTISET in Finnish 16 Mar 84 p 2

[Editorial: "Need for and Tasks of a Defense Committee"]

[Text] In the discussions during the past few months the initiative for the establishment of what would now be the fourth parliamentary defense committee in succession has received such general acceptance that the establishment of the committee is considered to be likely.

To be sure, in some quarters the initial reaction this aroused was also that they are trying to form a new committee in the changed situation only to again draft for the Armed Forces a new arms program aimed at the future and a timetable for it.

We do not really need a new parliamentary committee for such a mission. The earlier committees have already outlined Armed Forces procurement programs far into the future and recent experience has demonstrated that the present government and the majority of Parliament are very willing to implement them, preferably with supplementary appropriations.

There are, however, general reasons why the establishment of a parliamentary defense committee might very well be appropriate. The application of Euro-missiles and especially cruise missiles and the more active presence of NATO in Northern Europe heighten the need for pondering the position adopted in Finland's security policy and those measures by means of which we might strengthen our country's security in the changed situation.

In this sense the task assigned the committee to be formed might possibly be exceptionally important in the present situation. The elements of the altered military policy situation and the obligations produced by them to improve our defense policy would occupy an extremely decisive position in connection with this.

Even today issues relating to the Army and defense policy are rather completely beyond the reach of democratic control and competent debate. If it is successful, a parliamentary committee might draw issues into the arena of broader public debate and also provide progressive forces with some opportunities to influence the direction in which affairs are evolving in this field.

11,466

CSO: 3617/126

NEW CORVETTE TO PROVIDE ANTIMISSILE PROTECTION TO CARRIERS

Paris LE FIGARO in French 15 Mar 84 p 6

[Article by Pierre Darcourt: "The Aircraft Carrier's Future 'Guardian Angel' AA Corvette"]

[Excerpt] For the past 6 months, the French aircraft carriers "Foch" and "Clemenceau" have been in turn on permanent station off the coast of Lebanon. This hot spot in the eastern Mediterranean is an extraordinary rendezvous place where all kinds of naval and air elements--inspired by unconcealed curiosity and not always clear intentions--meet.

"Antimissile" Missiles

France has embarked upon the construction of a new series of modern AA combat vessels of the corvette type with a tonnage of around 4,000 tons. Four CAA (AA corvettes) have been ordered. The first of this series will be commissioned in 1988. Its detailed description would be rather fastidious. It suffices to keep in mind that these vessels--intended to serve the navy beyond the year 2010--are equipped with the most highly perfected weapon systems available at this time.

To accomplish its primary mission--engaging aircraft or anti-ship missiles--the corvette, on the one hand, has active and passive surveillance equipment of the latest generation, three-dimensional radar with electronic scanning, two-dimensional surveillance radar, IR surveillance system, and, on the other hand, electronic systems designed to "lure" hostile missiles skimming the waves.

Finally, the corvette is equipped with destruction weapons, medium-range and short-range AA missiles, and 100-mm rapid-firing artillery. It also has an anti-ship combat capability. For this purpose it is equipped with the MM-40 surface-to-surface missiles of the Exocet family that became so famous during the Falkland War and a Lynx helicopter carrying air-to-surface missiles but above all responsible for the long-distance secret target designation of hostile vessels.

Finally, this vessel also has an ASW combat capability, sonar, and torpedoes.

One can visualize the extreme difficulty involved in the employment of all of these equipment units especially since the reaction times are extremely short. A hostile missile, approaching its target at 300 m/sec (soon to be 600 m/sec), especially by virtue of its small size, can be detected only 20 or 30 km away--and that leaves little time for effective response.

It is thus necessary to down the launching aircraft beyond the range of its weapon and that is the role of the Tartar missile with an action radius of 50 km; or one must destroy the missile with the help of suitably adopted equipment, such as rapid-firing cannon and the entirely automatic employment of the "antimissile" missile. This means that the main combat systems must be grouped within the SENIT (naval tactical data processing system) which makes it possible to process the data and arrange the responses in the most automatic manner possible.

To conclude this rather brief review of so complex a vessel, we might say that these AA corvettes will have a crew of 230 men who--in spite of the ever faster progress of electronics--will have to be skillful enough to accomplish their mission.

The ultimate objective of course is to preserve the aircraft carrier's freedom of operation and this means that the AA corvettes and the other vessels, which are more specialized in the fight against submarines, will give the French Navy the coherence without which its size would mean nothing.

5058

CSO: 3519/276

FORMER DEFENSE MINISTER MESSMER CRITICIZES RAPID ACTION FORCE

Zurich NEUE ZUERCHER ZEITUNG in German 30 Mar 84 p 5

[Article by Christoph Muhlemann: "Praise and Criticism for France's Rapid Action Force: Too Far-Reaching Ambitions"]

[Text] Paris, March--With the emblem of a winged iron glove and the motto "fast, strong, far," the French Army rapid action force, or force d'action rapide (FAR), long extolled as a full reality by Defense Minister Hernu, is gradually taking shape. In contrast to the excess of misleading advance praise up to now, especially from official sources, objective criticism as well is now beginning to arise within France, in addition to other censure motivated by partisan considerations. The idea, which is basically sensible but based on much too little in financial and material terms, is supposed to in part cover up, in a grand way, the existence of further cutbacks in the conventional party of the Army; because of this, it rightly loses some of its propaganda shimmer.

In a balance critique recently printed in LE MONDE, in which polemic opposition arguments were not simply repeated, former Gaullist premier and longtime defense minister Messmer characterized the tarnished Army reforms as an "incoherent reorganization." First of all, he accuses the core of the leftist government of causing a splintering of the command structure at the expense of the Strasbourg First Army--a splintering set in motion under Giscard by the deployment of the Third Corps--through the creation of a new FAR command as well as a command position combining all five missile battalions, the latter some time after the introduction of the Hades nuclear missile. In the opinion of not only Messmer, but Germany as well, the main effort of modernization should benefit this former "corps de bataille," stationed together with the First and Second Corps on both sides of the Rhine, in view of the concentration of resources still available for France's conventional forces after its nuclear expenditures. A de facto NATO reserve corps would thus be revived into full operational standby and, in spite of its other purely national role as a "test screen" for French nuclear deterrence, would be somewhat bound into a geographically reliable alliance position.

The second part of this observation is admittedly not shared in the same way by the Gaullist Messmer. Instead, however, the First Army is losing not only the nuclear missile artillery in the future, but also the Fourth and Sixth

Tank Divisions, which after redeployment go to the FAR inside France in a new form as the Fourth Aeromobile Division and the Sixth Light Tank Division; the Far is almost automatically intended for use on the side of the allies. As a small consolation, the three French tank divisions of the Second Corps in West Germany should receive just over 100 additional battle tanks from those units eliminated in the next 2 years. The previous model, by which each tank division had two tank battalions with 54 battle tanks, is thus complicated by this: in the First and Third Tank Divisions, both previous tank battalions are being built up to 70 battle tanks each, while the Fifth Tank Division--as well as the three remaining tank divisions in France--will consist in the future of three tank battalions with 53 battle tanks.

Withdrawal of One Tank Battalion from Germany

Even if the same French tank divisions in West Germany are to have two 20-gun tank artillery battalions in the near future instead of the previous one 24-gun battalion, the first consequence of the present FAR reduction to be noted is indeed the withdrawal of the Spahi tank reconnaissance battalion from Speyer to Valence, where it will join up with the Sixth Light Tank Division (Nimes), which is being built up anew. Typically enough, the organizational structure of the latter, to be decided upon in the summer, has already been determined, together with the Second Infantry Battalion of the Foreign Legion and the Staff Battalion in Nimes, the First Tank Cavalry Battalion of the Foreign Legion (Orange), the 21st Naval Infantry Battalion (Frejus) and the Artillery Battalion 61 (Lyons), as well as the newly-formed Sixth Engineer Battalion of the Foreign Legion (Avignon); however, the replacement for Germany has not been set. The other newly-formed FAR army unit, the Fourth Aeromobile Division in Nancy, with four assault helicopter battalions and two infantry battalions, which at the moment consists of only a drill squadron, is for the most part drawing its materials from the First Army as well--although quite a different thing was being praised in the announcement of the plan. The 11th Paratrooper Division, the 9th Naval Infantry Division and the 27th Alpine Division (which in practice constitutes the FAR Infantry Reserve) remain unaltered in terms of structure.

Messmer's criticism of the splitting of command, which he says threatens to lead to inefficiency, is based on the fact that the Armed Forces Chief of Staff responsible for deployment no longer has command over only the First Army as a subordinate command post as was the case before Giscard, but instead in the future will assume command over the two new commands of the FAR and the Tactical Nuclear Missiles, in addition to the Third Corps, which is being moved this summer to Lille from Saint-Germain-en-Laye; through this, the previous "tie-in" of the Tactical Air Force (Fatac) also comes into question. Messmer's objections to the FAR "showpiece," the Fourth Aeromobile Division, however, provide even stronger criticism. The first Far Commander (Comfar), Army Corps Gen Gilbert Forray (who together with his Chief of Staff, Brigadier Gen Mochel Roquejoffre, has now begun the construction of his headquarters--planned for a staff of 500--in Camp Gallieni at Maisons-Laffitte in the western part of Paris and for this has had Signal Battalion 28 (Orleans) as well as Logistic Battalion 511 (Auxonnes) put directly under his command) compares the helicopter brigade of the Fourth Aeromobile Division with a

"high-speed train for the Army" and underscores its exceptional qualities for deployment with the comment that it is not an "army unit that can fly, but rather a flying formation for ground combat." Forray characterized its correlate, the similarly new Sixth Light Tank Division with AMX-10RC rolling tanks, which is still limited to the ground, almost euphorically as "a formation" for deployment at distances of "800 km a day."

This official publicized presentation of the FAR, which must make "speed of reaction its principle obsession," blithely ignores the lacking transport capacity for rapid deployment several hundred kilometers forward of a "front" on France's eastern border. That the West German armed forces could one day become a transport and supply camp operation for the FAR, in addition to their extensive duties as "wartime host nation support" for the Americans, is a wish with scarcely discernible chances of yet being realized, even if French proposals are insistent in this direction in their first discrete contacts.

It was precisely here that Messmer applied the decisive knife of criticism, and in a far more objective form than previous sweeping accusations by Gaullists and Communists, according to whom the entire FAR represents a creeping, step-by-step reintegration by France into the NATO command structure. Messmer, who has said that the Americans want to relinquish the deployment of entire air cavalry squadrons in Europe because of poor climate conditions and the strength of expected enemy air defense, rightly points out the lack of sufficient resources for a meaningful deployment. If the unit is to be deployed forward on the side of the allies, it must be stationed in advance in the allied disposition, prior to any direct threat, and incorporated into it under NATO command. That is of course an abomination to both the orthodox Gaullists and the Communists, which is why the leftist government has long since given up making public feelers in negotiations with regard to this. On the other hand, if the unit is to be advanced under strictly French guidance, it threatens to be--separated from the bulk of the French Army and with insufficient reserves--worn down in a Vabanque operation like the reserves in 1940 sent alone into battle and subsequently slaughtered in short order. The transport capacity for the means of fire support and logistics necessary for a promising deployment far exceeds, as Messmer complains, France's "present and future possibilities."

Controversial Weight of the "Nuclear"

Up to now, this weakness has not been laid bare anywhere in the French public with such succinctness. With the good, but insufficiently funded--in financial and material terms--FAR plan, France is pursuing a middle ground, bounded on the left by a weakened First Army and on the right by a rapid action force that is too weak, at least for the extolled rapid deployment. FAR apologists argue that it is not at all intended that conventional combat be done with it, and that it thus should not be evaluated without its close connection to the large nuclear Hades missile units. With regard to the allies and especially West Germany, however, it is hardly presented in this way openly. The costly "reorientation" of the Third Corps to the north can indeed be interpreted as a potential northern deployment axis for the FAR,

in addition to the eastern one. However, this, as well as the reverse stationing of the FAR on French soil also increases the danger, in Messmer's judgment, of delays in deployment, in spite of all speed in the means of transport, which are admittedly too small in number. Thus the army reforms may in many respects result in the opposite of the goal, strived for and proclaimed, of increased availability and firing power, because--as has often been the case in the history of French defense policy--a good plan has been rhetorically designed more than it has been sufficiently realized in practice. Giscard, who hardly varied in his actions in this respect, did at least mention in his last book the realization that he came to on a trip to China, "that it is better to be big without believing it than to think that one is, without giving oneself the means to be it!"

12271

CSO: 3620/227

GENERAL SAYS NORTHERN TROOPS UNPREPARED FOR COMBAT EMERGENCY

Oslo AFTENPOSTEN in Norwegian 26 Mar 84 p 5

/Unsigned article: "Preparedness in Northern Norway Weakened"/

/Text/ The training level of the recruits transferred to northern Norway is now so low that one can no longer call them emergency units. Calling attention to this is Maj Gen Gunnar Helset in the latest issue of BEFALSBLADET. Helset says that there is probably also evidence that the field maneuvers for the infantry have been cut in half in the course of 5 years. "If the Defense Forces are used in field tests in our time, Norway may be the loser," Major General Helset emphasizes.

Helset stresses that the political leadership of the Defense Forces has to take the initiative on cooperation with the organizations of junior officers and noncommissioned officers and make preparations for a stepped-up plan for conversion which will gradually be implemented at the next four or five wage negotiations. "We must recognize that these officers have a legitimate claim to be paid for their work in the form of money or time off with pay," says Helset, who at the same time complains that the new long-range plan the Parliament will take up shortly does not set the stage for a discussion about decisions on working time for military officials. Helset feels that the organizations' demands for full compensation will mean that close to 800 million kroner will go to so-called ATM funds (the accounts show that a good 300 million were used for this purpose in 1983; the funds have been covered primarily with transferred investment funds).

Helset thinks that the Parliament must clarify whether the increases for payment of additional expenditures in connection with the introduction of decisions on working time in the Defense Forces will be covered within given limits.

12327

CSO: 3639/96

DISCUSSION OF ECONOMIC, TRADE RELATIONS WITH FRG

Athens I KATHIMERINI in Greek 15 Mar 84 pp 8, 15

[Interview with Lazaros Efraimoglou, Chamber of Commerce President; date and place not specified]

[Text] The president of the Chamber of Commerce of Athens, Mr Lazaros Efraimoglou, had a detailed interview with I KATHIMERINI about economic relations between Greece and Germany and about the prospects that are in store for the two countries within the framework of the EEC. Mr L. Efraimoglou emphasizes that the trade balance between Greece and W. Germany that was always in the red became worse when our country joined the EEC. But in 1983 the deficit was drastically reduced and there are prospects for the future development of the relations. He also underlines the importance of the creation of the Information Bank in Greece that will be connected to the respective establishments of other EEC members.

The full text of Mr Efraimoglou's interview follows:

It is known that technological progress contributes to the development of trade and financial exchanges for the benefit of the European people. Also known are the efforts of the Chamber of Commerce of Athens for the creation of an Information Bank that will operate nationally (between the Chamber of Commerce and Greece) and internationally (between the Chamber of Commerce and Europe).

Question: How far have you gone in these efforts? Do you predict the quick installation and operation of such an information system, since the Chambers of Commerce of the EEC countries have already installed Information Banks?

Answer: The Chamber of Commerce of Athens realized promptly the importance of information for the further development and the competitive presence of the Greek businesses in the international area.

The first efforts to connect the other Chambers of Commerce of the country and the Chamber of Commerce of Athens with the European Information Banks with the cooperation and help of the Italian company Cevred (the company that established the Italian Chambers of Commerce for this purpose) did not bear fruit finally, our Chamber of Commerce not being responsible for this in any way.

The EVE (Chamber of Commerce) of Athens, however, watches systematically the activities of the Permanent Conference of the EVE of the EEC countries in the information area so that the respective conclusions can be exploited immediately, even from the Greek point of view.

Among the various Work Groups that function within the Permanent Conference of the EVE of the EEC, there is a Group for the Information Bank that is charged with the development of a European system for commercial information primarily of a nature that will connect all the European Chambers of Commerce.

Already, with the initiative of the General Directorate for internal market and industrial affairs of the Committee of the European Communities that is financing 50% of the cost of the relative preliminary study, a program is in progress for the creation of data processing and information exchange in the European External Trade Department and the Chambers of Commerce.

Similarly, the preliminary study is progressing for the materialization of the program for the pilot project for data communication exchange system in European Chambers of Commerce and Industry that has as its objective the experimental connection of the EVE of Italy, France, Holland, W. Germany and Austria that have Information Banks.

Beyond these long term targets, however, the EVE of Athens has decided on its connection with the European Information Network, EURONET DIANE, and has proceeded in the relative procedures for the purchase of the necessary electronic equipment.

Textile products are in first place.

Question: What will the benefits be from creating and operating a European Information Bank?

Answer: It is known that especially today, the prompt and complete briefing of the business world is one of the principal factors for the successful practice of its activities. This observation is primarily true for our foreign trade. The penetration of the Greek agricultural and industrial production in foreign markets is a complex procedure whose successful completion depends significantly on information (for the true needs of the other countries, for the capabilities of our competitors, for the prices being offered, for import procedures and other items).

Besides, the technological progress of our country and the modernization of the capital equipment of our operations requires the knowledge of several facts that the isolated business man or researchers can gather with difficulty and at a great cost.

The Information Banks have come to fill this void, exploiting the capabilities offered by microelectronics in the best way and gathering, classifying and distributing to the users, whether they are located in the country where the Bank is established or very far from it, the requested information within a short period of time and at a relatively low cost.

We believe that the connection also of our country with the European Information Banks will give the Greek business man and scientist the capabilities for an equal presence in the international area to the benefit of our economy. For this reason, we are determined to intensify our efforts so that our initiatives will be fruitful.

Question: The specific research of I KATHIMERINI on the subject "Greece - Germany" seeks to promote the development of economic and other relations between the two countries. How far have the trade and broader economic relations between our country and W. Germany progressed at the present time in: a) the import/export trade and b) developments?

Answer: W. Germany is the largest trade partner of our country. About 18% of Greek exports are directed to German markets, while about 20% of our total imports come from W. Germany.

The large development of our trade exchanges is due on the one hand to the absorability of products in the German markets, such as foods and beverages, textile products and ore in which our country has a comparative advantage and on the other hand in the products with a high additional cost, such as machinery, industrial equipment and others that the German industry can provide.

Our trade exchanges, however, present an acute imbalance to the detriment of our country. In 1980 our trade balance had a deficit amounting to 563 million dollars. In 1981, the year we joined the EEC, the Greek exports to W. Germany dropped by 15.9% in comparison to 1980, while our imports for the same period of time increased by 17.9%. The result was an increase in our trade balance deficit by 74.9% amounting to 966.4 million dollars. In 1982 our exports increased by 4.1% and our imports dropped by 2.5%. The deficit of our trade balance dropped to 891.3 million dollars. For 1983, on the basis of the latest statistical information on hand that are reported for the eleven month period, our exports increased by 32.7% while our imports dropped by 46% in comparison to the same period in 1982. This way, the improvement in our deficit in our trade balance by 88.9% is truly impressive.

Looking at the Greek exports to W. Germany more analytically, we see that textile products are in first place. These make up about 40% of our total exports. Leather goods come next that include furs and shoes and make up about 18% of our total exports. Foods and beverages that make up 20%, followed by canned juices and fruit for 4.8%, ores for 2.2% and finally tobacco leaves that make up 2.4% of our total exports to W. Germany.

Our economic relations are not restricted only to our trade exchanges. Quite a large number of Greek immigrants live and work in W. Germany. Also the number of German tourists that visit Greece every year continues to increase.

Both of these categories are precious sources of foreign exchange that help considerably the balance of the Miscellaneous Income of our country.

On the other hand, we believe that the margins for improving our trade balance with W. Germany are quite large. Our country has a variety of industrial products that could be put in German markets, as long as there would be a more systematic study and a better promotion of those products that could be easily absorbed by the W. German markets.

The Imports

Question: With what kind of products does W. Germany show a dynamic presence in the Greek market?

Answer: The German industry, especially the branch of heavy industry, is without a doubt one of the most dynamic of the European Community. Products such as electric machinery and appliances, machinery for equipping industrial units that are distinguished for their quality and the high level of their technology, necessary for modernizing and equipping the industrial units of our country, make up about 40% of our total imports from W. Germany.

W. Germany is also the largest supplier to our country for textile machinery, construction machinery, printing machinery, food processing machinery and others. About 28% of the total imports of machinery by our country from the western industrial countries come from W. Germany, immediately followed by Italy at 26% and with France being third at only 9.6%.

Another dynamic presence in the Greek market is apparent in automobile imports, the value of which passed 284.8 million dollars in 1982 or 17% of the total Greek imports from W. Germany.

Finally, imports of meat and processed meat as well as imports of leather that make up about 19% of the total of our imports from W. Germany occupy a significant portion of the respective Greek market.

Development of Relations

Question: What terms and what kind of cooperation could further develop the economic relations between the two countries?

Answer: The large size of the W. German market and the high income level of the German people undoubtedly are a dynamic challenge and a target for the Greek exporters who should make substantial and coordinated efforts to capture the market, despite any difficulties they may be facing in getting their products in the German markets. The basic requirements for the development and promotion of the Greek products, however, we believe are the further improvement of the quality level of the domestic production, the detailed study of the market and the organized presentation of our products. This is the only way we can achieve the best possible result and compete successfully against similar products of the other countries, decreasing the deficit of our trade balance and contributing to the further development of our economic relations with W. Germany.

On the other hand, given the high technological level that distinguishes the German industry and within the framework of cooperation between the two countries, W. Germany could help reorganize the secondary sector of our economy with the establishment of either common businesses with interested Greek businessmen or with investments in sectors considered to be of an immediate priority for our country such as microcomputers, robots, biochemistry and others.

We believe that this kind of help is not only of benefit to our country but also to the German economy and is a substantial factor in the development of the economic relations between our two countries.

The two Poles of the EEC

Question: How do you expect the trade and other relations between the two countries to develop within the EEC?

Answer: Greece and Germany are two European countries and members of the European Community with already developed close economic, political and civilizing ties.

Despite the fact that our country's inclusion in the EEC caused an increase in our trade balance deficit with W. Germany, there are many facts that indicate that the economic cooperation between the two countries has considerable room for development.

a) Greek agriculture in its greatest part is complimentary and not competitive with German agriculture. As a result there is plenty of room to increase the export of agricultural products that make up a significant part of the Greek exports to W. Germany.

b) Our industrial sector has effected noteworthy progress in certain branches, especially consumer goods with products that are equal to the other European countries. As a result, we believe that the horizons that are opening in this sector for a closer cooperation between the two countries are very broad.

In some way, Greece and Germany are the two poles of the European Community. Greece is a marginal European country, small in size. Its economy is in a stage of development and its industrial sector in the stage of reorganization. In contrast, W. Germany, a founding member of the EEC, is one of the most economically and industrially developed countries of Europe. Both countries know that their prosperity depends on their participation in a wider alliance and that it is to their interest to cooperate closer. We believe that this cooperation will be productive and beneficial for the two countries.

9346

CSO: 3521/208

MARTENS EXPLAINS, DEFENDS GOVERNMENT AUSTERITY PLAN

Brussels LE SOIR in French 19 Mar 84 p 2

[Interview with Prime Minister Wilfried Martens by Guy Depas, Guy Duplat, Pierre Lefebvre, and Yvon Toussaint; date and place not specified]

[Text] [Question] What is your state of mind after reading and hearing all reactions to your plan?

[Answer] I am satisfied with the interest it is arousing. During the negotiations I feared for a moment that we would only plow the water and that our decisions would be but routine ones. But that is not the case.

This plan is no joke! Of course, everyone criticizes it, though with shadings. But that is normal, for we have spared no one. This time we could protect only the most disadvantaged, and we even had to decide to reduce family allowances.

[Question] Of all reactions, which pleased you most?

[Answer] That of the ACV-CSC [Christian Trade Union Federation], which shows a true sense of statesmanship. That union does not react solely in defense of its own interests; whereas Raymond Pulinckx at the FEB [expansion unknown], like Fons Margot for the middle classes, and the Boerenbond all reacted only in terms of their own members. The CSC is a great trade union, which showed it was aware of the need to take action.

[Question] Was there prior concertation with the CSC?

[Answer] It is an open secret that there are regular contacts between certain Democratic Christian ministers and the CSC, but that does not mean there was concertation in the strict sense.

[Question] The chairman of the PS, Guy Spitaels, calls this plan "the harshest attack against the workers in half a century?"

[Answer] M Spitaels remained silent during the whole time our plan was in preparation. Now his reaction is violent, but it does not get to the bottom of things. He simply wishes to take advantage of the inevitable reactions of discontent. Actually, Spitaels is surely glad others are doing the dirty work in his place. He will not come on stage until we have obtained results.

[Question] Are you afraid of the opposition?

[Answer] It will show itself in Parliament. That is normal. Its role is not negligible. But political opposition is integrated into the system. If it leads to a vote of censure, there will be dissolution of the Senate and Chamber, and an appeal to the voters. Political opposition implies an alternative. Trade union reactions could be more dangerous, for they come within a system which provides for no alternative.

[Question] Are you afraid of trade union reactions?

[Answer] No!

[Question] Because of the ACV-CSC?

[Answer] No. The ACV is not negative, but I know what might happen. Nothing is final. If I am not afraid, it is because the important thing is that a democratically elected government was able to achieve a plan such as ours. That plan will have to be applied--by this government, by another, or by the IMF. Rehabilitation of public finances will be carried out no matter what, whether we want it or not!

[Question] But union actions could be embarrassing?

[Answer] They would be embarrassing for me, but for the whole country as well.

[Question] They would not influence you?

[Answer] I have no intention of giving up my plan. That would be an admission it was not necessary. I will not yield!

[Question] Are you afraid of your own majority?

[Answer] On economic and social matters the majority is solid. Negotiations were conducted by ministers in touch with their parties. The difficulty of a consensus in Belgium is due not to economic but to community factors, which it is true are sometimes used as convenient alibis. In our country community matters play a very special role.

[Question] But on that very point, Gol wanted assurances on the community level. Your statement, however, provides but a very weak safeguard against possible drifting off course?

[Answer] I am surprised by reactions on that subject. From the very start the government clearly announced it was giving priority to economic and social matters. We confirm that determination today. For we know community and linguistic questions can threaten us, while governmental stability is essential. Thanks to that stability we were able to move forward with a large number of projects and legislative proposals, and we were able to decree a very large number of special powers. The work accomplished is impressive.

[Question] But you do not promise a "community pact"?

[Answer] That very term is an apple of discord between our two communities. I know the recurring tendency to renew emphasis on community matters. A year ago I had to fight to avoid the Fouron pitfall. This year, it was the linguistic problems of which you are aware. But as soon as priority returns to economic problems, community questions fade.

[Question] And yet important decrees are awaited from the Council of State?

[Answer] Yes, but how soon?

[Question] You have assurances?

[Answer] It is not my business to get involved in that, or to influence procedure.

[Question] But those decrees concerning Burgomasters Thiery and Happart could be handed down before the end of this legislative session?

[Answer] That is quite possible.

[Question] What was the climate during discussions at Val-Duchesse?

[Answer] It was hard but always courteous, in marked contrast to other negotiations I have known. Certain forms of brutality have disappeared. After two years in government, men know and esteem each other. Bonds of friendship were formed. We were able to get to the bottom of things without offending anyone. Another favorable element is the opportunity ministers have of deciding for themselves without continuously consulting their parties. That is true also for my party.

[Question] Some members of the majority have considered linking the forthcoming European elections to legislative elections?

[Answer] Actually, certain members of the majority have thought a short election campaign, held now, would provide a new start for four years. But that idea was abandoned, for opinion would have thought ministers who down tools in mid course no longer believe in their policy. Since we are convinced of the soundness of our policy, we want no elections which would create the feeling of a reverse.

[Question] And yet that intention had been imputed to you?

[Answer] I never thought of that. I have always told my ministers they would get no surprises from me. We must build up a high level of confidence. In Belgium it is difficult to make confidence reign. It must be restored.

[Question] Yet in recent days we have witnessed a guerrilla war of communi-ques between chairmen of majority parties. Did that not influence the climate of Val-Duchesse?

[Answer] The ministers who drew up the rehabilitation plan read the papers. But they always retained a sense of the relativity of things. Parties and party chairmen have their role, which they play intelligently, and ministers have theirs.

[Question] Is this newfound governmental stability the sign that Belgium has left behind its "Fourth Republic" to begin its Fifth?

[Answer] Not at all. The transformation of our political system is not radical enough.

[Question] You still consider the present coalition is the right one?

[Answer] Yes indeed! The facts have proven that.

[Question] For the next legislative session as well?

[Answer] The socialist parties have not changed. They do not accept the rehabilitation measures we shall have to apply after the elections. Nothing can be done with them.

[Question] You do not fear the deflationary effect of your policy?

[Answer] It is true that our economy functions in part thanks to state infusions which are reflected in the public deficit of Fr 500 billion. To reduce it will inevitably affect the economy. So we must both reduce the public deficit and adapt an economy which has lived thanks to artificial transfers from the state.

[Question] Are you not doing too much of that?

[Answer] The Superior Finance Council and OECD had told us to be cautious in our rate of resorption of the deficit in public finances. But since then there has been the report by the National Bank, which indicates it is time to attack that deficit. In practice, the rehabilitation objective we set two years ago for 1985 will be delayed by one year.

[Question] But is it not a little late, then, to attack that deficit?

[Answer] No. During the first two years of this government we wished to restore the competitiveness of our enterprises by asking for a 7.5 percent effort by the active population. If we had wanted to achieve at the same time a rehabilitation of public finances, we would have had to ask for an additional effort of 6 percent. That was impossible, and that is why we worked in two stages.

[Question] Still, investment is not following the lead?

[Answer] The National Bank's report forecasts a 10 percent increase in investment in 1984.

[Question] You believe that?

[Answer] Yes.

[Question] Should not more restrictive measures be taken so that enterprises would invest?

[Answer] We force excess profits to be invested in Belgium. But above all, I think heads of enterprise must be reassured today. Their major fears were for the stability of this government. It is hard to invest when there is daily talk of a possible explosion of the country. Political stability should stimulate investment.

[Question] But is there not a more fundamental "Belgian malaise" consisting of an unattained community and ideological balance, which in the end is very costly to us?

[Answer] It takes a special nervous system to govern in this country. I am convinced we have not yet reached the end of governmental reform. When we speak of a link between governmental reform and budgetary economies, we must admit it takes on reality only provided there is financial responsibility on the part of regions and communities.

[Question] But you propose nothing to resolve that Belgian malaise, which has budgetary consequences?

[Answer] We must start with the most urgent tasks. We do not have time today to treat ourselves to community negotiations.

[Question] Will you be judged by the voters at the time of the next European elections?

[Answer] No, for the image presented by the parties at the time of a European vote differs altogether from that they offer in a Belgian election. We know, for example, that the image of the Christian socialist parties is much better in a European election. I consider that as a "bonus" for them of about 10 percent.

/Question/ Do you feel you are charged with a mission?

/Answer/ That would be an exaggeration. I have the delicate responsibility of being prime minister in a difficult time. I must feel the sensitivity of our three communities. That means vigilance at every moment.

/Question/ Will you win your bet?

/Answer/ I am sure of it! If we do not make the mistake of leaving the fruits of our policy to our opponents.

/Question/ And your health? How do you feel today?

/Answer/ I feel much less tired than before. My doctors have told me to sleep eight hours a night and take demanding physical exercise--swimming and walking. Thursday night, for example, on arriving home I did a half-hour on my home trainer. I must also stay on a salt-free diet, for I chose a permanent metallic artificial aorta which forces that diet on me for reasons of blood coagulation. But I really feel very well.

6145
CSO: 3619/45

ROUND TABLE ASSESSMENT OF ECONOMIC WOES

Nicosia KHARAVGI in Greek 28 Feb 84 p 5

/Text/ PEO Secretary General Andreas Ziartidis yesterday called on the government to work out, in cooperation with the political and social leaders and organizations, a program of austerity and retrenching to deal with the serious problem of the fiscal deficit.

Ziartidis, who spoke in a discussion organized by the Bankers Institute at the Hilton on the "Problems of Cypriot Economy," underlined that there are cases of waste of public funds, extravagant and unnecessary expenses, while the public administration has an excess of employees (two to three thousand). He said the hiring of clerical personnel must stop and that there should be professional personnel hired when the need is proven.

The syndicalist movement, the PEO secretary general went on, can and must exercise pressure toward austerity and logic. He added: "But something more is needed. There will be occasions when the trade union movement will have to show understanding."

Ziartidis also said that the state revenues must increase, not with new taxes in the near future, but through a more effective implementation of tax legislation. It is especially imperative that tax evasion is beaten. It is possible, he said, that in the course of 2 or 3 years we will be able, with a sound policy, to hold down the upward trend of the fiscal deficit and in an equal number of years thereafter begin the course toward a significant reduction. The fiscal deficit was 94.2 million pounds in 1982 and 102.6 million pounds in 1983. It is expected to reach 125 million pounds in 1984.

The PEO secretary general also spoke of the personal income price index adjustment, which was satisfactorily implemented up to 1965. But with time this led not only to an expansion of the state salary payments but also to the widening of the gap between high and low wages.

Speaking about inflation, he said it is due primarily to external factors, but it was aggravated by profiteering, absence of effective price controls and to a lesser extent by the presentation of excessive demands by the syndicalist side.

Concerning unemployment, he said that 8,000 persons are registered, of whom 1,500 are professionals. The applications for unemployment compensation reach 4,000 a month. In 1981 the level of unemployment was 2.6 percent while in 1984 it is expected to reach 3.7 percent.

Kolokasidis

The Chairman of the Employers' Federation /OEB/, Mikh. Kolokasidis, former minister of commerce, argued that we consume more than we produce and that we mortgage the future for the sake of the present.

Referring to the public sector, he said that while revenues increased with a satisfactory pace and maintained their ratio to the Gross Domestic Product /GDP/, public expenditures increased much faster and increased their ratio to the GDP. The biggest increase was in state consumption expenditures (mainly salaries) and smaller in investments. The state salary payments from 32.8 million pounds in 1977 reached 123.9 million pounds in 1983, with a 22 percent average rate of increase. They are expected to reach 177 million pounds in 1987. It is necessary, he argued, not to increase the number of state employees nor to have general increases in salaries and wages.

The subsidies increased five times from 1977 to 1983 and have today reached 30 million pounds. In 1983, external borrowing reached 55 million pounds while all capital expenditures of the public sector were only 45 million pounds.

Kolokasidis argued that workers' wages in industry were, in 1983, 225 percent higher than in 1977, while prices increased by 65 percent and labor productivity by 14 percent. This fact, he added, together with the international recession, the bureaucratic procedures and the downturn of domestic activity, led to a reduction of investments and production. If the economic situation remained at tolerable levels, this was due to the tourism and especially to the events in Lebanon, which benefited Cyprus.

The OEB chairman advocated austerity in both the public and private sectors, modernization of tax collections, combating tax evasion and amendment of the price index adjustment. In conclusion he said we must return to the spirit of 1975 and 1976.

Avraamidis

Cyprus Chamber of Commerce and Industry /KEYE/ Chairman A. Avraamidis spoke about the low level of exports which he attributed to the cost of production, the world-wide recession, the protectionist policies of certain countries, the stagnation of the relations with the EEC and the absence of organized help by the state. He advocated the correlation of salary increases with increases in productivity, a change in the mode of calculating the price index allowance, investments in the sector of high technology, reduction of loading-unloading fees, elimination of the complex procedures and unjustified overtime in the harbors and customs offices, and taking steps to deal with difficulties in the

transportation of products abroad, especially by boat. He finally asked for strengthening the commercial relations with the EEC, the Arabic as well as the socialist countries.

E. Lanitis

The President of the Popular Bank, E. Lanitis, spoke about agriculture and the banking sector. He said the agricultural sector contributes 10 percent to the GDP while it employs 20 percent of the economically active population.

In 1982 farm exports amounted to 54 million pounds and 45 million pounds in 1983. He advocated the development of new varieties of fruits and vegetables, the speeding up of the southern pipeline and the strengthening of animal breeding to cover the needs of the tourists as well.

Lanitis spoke of the risks from the competition and protectionist tariffs of the EEC and the disadvantages for Cyprus from the admission of Spain and Portugal. He called on the government to ask EEC not to modify the tariffs for our citrus products and to improve the tariffs and quotas for our grapes. Furthermore, he voiced opposition to the Marketing Councils for farm products.

He argued that the interest rates must be set by the government or the Central Bank and not by the House of Representatives. He also expressed the view that the Cypriot pound is slightly overvalued, thereby raising difficulties for exports and encouraging imports and the smuggling out of foreign exchange.

Lanitis criticized the government bureaucracy, asked for reduction of government expenditures and supported the increase of investments in agriculture and the high-level tourism.

Avxendiou

Following the above-cited introductory speeches an avalanche of questions were asked, to which the speakers replied. The discussion was closed by the presiding officer of the conference, the governor of the Central Bank and former minister of finance Avxendiou.

Avxendiou argued that the most serious economic problem is the fiscal deficit which must be faced urgently in a practical and realistic manner. This can be done, he said, by imposing a single tax on a broad basis, such as a value-added tax, or a tax on consumption expenditures.

He also argued for a drastic adjustment of the price index (inflation) subsidy and for correlating wage increases with productivity.

Finally, he supported the planned increase of investments in the context of the Cypriot possibilities.

7520

CS0: 3521/211

SOCIAL AFFAIRS MINISTER DROPPING TALK OF 'PRIVATIZATION'

Copenhagen AKTUELT in Danish 6 Mar 84 p 14

[Article by Ole Lorenzen: "Minister Gives Up Privatization"]

[Text] Minister of Social Affairs Palle Simonsen (Conservative Party) no longer wants to talk about privatization of the social sector.

On the contrary, at a meeting arranged by the Pensioners' Union yesterday, he maintained that the private sector can never assume the government's proper social responsibility.

"The aim with respect to pensioners should be to give them greater influence over their own everyday lives. It cannot be the government's responsibility to decide what pensioners should do. Hence, it is good that we in many places are now moving away from the hobby-centered activities which have marked municipalities' offering to pensioners," said Simonsen.

"We hope to make retirement life something to look forward to as a period that can provide new possibilities for growth and experiences," he added.

"A variety of retirement organizations and unions are doing the essential work to achieve this goal. Hence, the government is determined to increase public grants to these organizations," he pointed out.

His statements were met by some skepticism on the part of several hundred pensioners from the Copenhagen area, who had gathered in the Community Auditorium in Christiansborg.

"The government keeps saying it wants to improve conditions for pensioners. But when it comes right down to it, the only thing we experience are cuts and more cuts," said Irene Larsen from the Danish Municipal Workers Union's Association of Pensioners.

And the Social Democratic Party's socio-political spokesman, parliamentary member Erik B. Smith, wanted concrete initiatives instead of so many words: "If privatization is a matter of establishing that older people can and should be allowed to manage their own lives to the extent they themselves wish to do so, we concur with the government," he said.

Both Simonsen and Smith support the establishment of municipal senior councils.

Smith said that the Social Democratic Party would submit a proposal in Parliament this week which will prevent depriving older persons of freedom of action and independence. Among other things, the proposal means that older persons in nursing homes will receive their full pension instead of pocket money. In return, they will pay for the things they get in nursing homes.

8952

CSO: 3613/110

STEEL INDUSTRY OFFICIAL DENOUNCES GOVERNMENT'S 'FLIGHTINESS'

Marchelli Stresses Semiconductors

Paris LES ECHOS in French 23 Mar 84 p 5

/Text/ Paul Marchelli, the general representative of the CGC /General Confederation of Managerial Personnel/, denounced the "government's flightiness" toward the steel industry, saying that "you do not start a job of this size without knowing where you are going."

Mr Marchelli asserted that when the Council of Ministers postponed its decisions last Wednesday, "it failed to assume its responsibility of determining the industrial objectives of the steel sector." According to him, the fact that the case was discussed "in such a hesitant manner represents a major political failing which is unpardonable."

For about 10 years now the CGC leader has been playing the unions' prophet of woe for French industry. We must admit that a number of his forecasts have unfortunately come true, and the cries of alarm from the CGC, and more specifically from that organization's Metalworkers Federation, have not always received the response they deserved.

Whether dealing with the automobile industry or shipbuilding, steel, aviation or telecommunications, one key idea consistently appears in all the studies made by CGC officials: industrial reorganization must be encouraged through adaptation to new technology and modernization of the various sectors.

For Paul Marchelli in fact, there is a great risk of seeing the government persist today in making two mistakes: the first being to limit the debate to a discussion among technocrats, thus making the idea of coordination with business partners only a token gesture; and, the second being to imagine that after all the difficulties of the past few years, the people living in the affected regions are going to go along with the elimination of tens of thousands of jobs, without any steps having been taken to create substitute jobs first.

Yesterday Paul Marchelli denounced a "methodology of failure." Although he referred to his organization's studies on each of the sectors currently in danger, and although he repeated his proposals for a round table in the automobile industry, for real coordination among steel companies, and for setting up a major Ministry of Industrial Reorganization and Employment, the CGC's general representative particularly stressed the need to focus all efforts on one strategic industry--semiconductors.

It is impossible to conceive of a new steel sector, a new automobile industry, or a technologically advanced aviation sector, according to Paul Marchelli, unless France is active in the semiconductor industry.

The CGC therefore fully supports Thomson's initiative, and is asking the government to finance 1.3 billion in investments in 1984, so that research and industrialization efforts may be pursued by which the French company can eventually cover 3 percent of the international market.

Once again the management union leaders have the government up against the wall.

If it is unable to take the necessary steps for this industrialization this year, then the CGC will campaign in favor of denationalizing Thomson's semiconductor division and will call on France's business leaders to find a way to attain this industrial objective, using private savings.

Delors, Fabius in Disagreement

Paris LES ECHOS in French 23 Mar 84 p 5

/Text/ In disagreement with Laurent Fabius on the steel industry, Pierre Mauroy and Jacques Delors want to review the issue over the weekend. The prime minister and the minister of economy and finance were "shocked" at the Council of Ministers meeting to see projects added on at the last minute, projects that would substantially increase the bill. In contrast with the "Fabius Plan," the scheme Jacques Delors is leaning towards would allow the country to save 5 billion francs a year, according to reliable sources. There should be further passages of arms between now and next Thursday...

The labor unions and local officials are remaining on the sidelines. Everyone has deplored the one-week postponement of a government decision.

In Lorraine, the CGT's regional committee has proposed that an inter-union meeting (the CFDT /French Democratic Confederation of Labor/ and FO /Workers Force/ have accepted) be held to "make a joint decision on the action needed to immediately organize, at a high level, the campaign in Lorraine."

According to the CGT, the 8-day delay should be used to prepare a reply to steel workers and miners before the 25 March meeting, "to put an end to a policy of disindustrialization and unemployment that will mark the decline of Lorraine."

9805

CSO: 3519/284

FOREIGN COMPANIES INTERESTED IN TROUBLED INDUSTRIES

Restructuring Committee Seeks Support

Paris LES ECHOS in French 23 Mar 84 p 6

[Text] Sumitomo is setting the example with Dunlop: foreigners are showing an increasing interest in taking over French firms in trouble.

It is a matter of opportunism, naturally, but it is just as much a question of favorable exchange rates, and a way of persuading the government to accept investments in strategic sectors, which it has been reluctant to do up to now.

This trend should please CIRI [Interministerial Committee for Industrial Reorganization], which succeeded Raymond Barre's famous CIASI. The agency is particularly happy about the interest being shown in France by industrialists from abroad since it is responsible for saving 70,000 jobs in about 100 different companies in financial straits.

Dunlop with its 6,000 employees, of course, and Normed with its 11,000 ship-building specialists, Fenwick, ARCT (textile machinery) and Tilly (poultry) are among the sinking domestic industries. These are the firms which CIRI is trying to salvage, the companies for which CIRI is putting together financing packages or looking for buyers.

Bernard Tapie Hasn't Been Seen...

In the 18 months since it was established, CIRI has bailed out 50,000 workers who might have lost their jobs either because the firms where they were working went under, because of poor management, marketing mistakes, or a failure to keep up technically.

On an average each job cost 15,000 francs, which is not a large amount, since it can cost up to 120,000 francs a year to maintain a job in the steel industry. But, it must struggle to find convinced financiers or "money-makers" willing to try to pump new life into a company.

Strangely nobody has ever seen Bernard Tapie pass by Rue de Rivoli where CIRI has its offices. Institutional circuits are not for him, which once again brings up the question of where he finds the money he uses in his financing operations.

"Money-makers" can be found everywhere, especially among 55 year old executives who are ready to use their professional know-how to revive companies which may have made a bad move but which are far from being doomed. Sometimes the nationalized enterprises help CIRI, by finding small and medium-sized firms which could provide some diversification.

These rescue operations have certainly been quick, because procedures have been streamlined, but they have also caused problems. Fenwick is still in the same spot, after the political failures of the take-over by the Bulgarian company, Balkan Care. That is insignificant.

More serious is the situation of the Decazeville steel industry, which cannot find anyone interested in it. And, what about the Roanne ARCT, for which the government is paying 160 million francs a year, merely to balance the accounts each month for this company which refuses to die and which the government does not dare handle as it should, because Henri Krasucki would set the entire machinery of the CGT [General Confederation of Labor] rolling as soon as anyone touched ARCT.

This is a strategy which has cost taxpayers 500 million francs since 1976.

Dunlop/Sumitomo Example

Paris LES ECHOS in French 23 Mar 84 p 6

[Article by Gilles Bridier]

[Text] Will Dunlop make a comeback, while the Japanese firm Sumitomo, the only interested buyer at present, is pressing the government to give the green light? A French alternative is taking shape (better late than never...), but it is still too soon to tell if it will win out.

A financing package has, however, been put together. Financiers and industrialists involved in distributing tires, chemicals and sports are ready to jump into the venture. Up to now, only confidential proposals have been made. But, the group of buyers is getting ready to go into an active phase. And, in the next few days, the management firm of Siegel-Canat, which has spearheaded this French initiative to buy out Dunlop, is going to set up a corporation to defend these proposals in the marketplace.

Its proposals have the advantage over Sumitomo of keeping the truck tire industry in Montlucon and of maintaining the wheel factory in Bourget.

For the rest, after paying off the debts and modernizing equipment (by investing 300 to 350 million francs, on the basis--as for Sumitomo--of loans at subsidized rates), the business should be back on its feet. Jean-Pierre Canat insists that "the situation is not disastrous. Dunlop has not collapsed on the markets--far from it--and has further to go in industrial tires (handling equipment) and in the export market."

Figures even point to a situation of virtual commercial stability. While the sales volume amounted to 1.9 billion last year, it should range around 2.1 billion this year. But, what it needs is a breath of life: margins must be restored and financial costs must be curtailed.

Another thing is missing: the strong, massive support of the government. Naturally the government is interested. But, it is a sure bet that the Ministry of Industry is waiting for Michelin to join the group of buyers. This would pave the way for reorganizing the French tire industry which needs it. The Kleber case, a millstone around Michelin's neck, has still not been settled. Can it take on another?

Ever since the Dunlop affair began, the Clermont-Ferrand manufacturer has not responded to any proposals. To induce it to lead the group of French buyers, there would first have to be tough negotiations between it and the government. And, Michelin is not an easy piece of machinery to put in operation when it comes to making decisions.

At present, time is in favor of Sumitomo, which was expecting a reply Tuesday and certainly hopes to have one today.

Competitive bidding by the Japanese, in the event a French plan enters the competition, would not be in the least surprising. It needs Dunlop France--who owns the trademark--and a foothold in the French market, regarded as a test market. Maybe it would like to take over the helm, although nothing is less certain.

In any case, there will be no further steps on the French side. They do not want to make demagogic proposals which, if accepted, could jeopardize the firm, not when there is a serious alternative.

9805

CSO: 3519/285

BRIEFS

SPACE PROGRAM BUDGET INCREASES--In a synthesis paper presenting its budget and programs for 1984, the National Center for Space Studies (CNES) announced that France will allocate 4.76 billion francs to space this year, or 33.8 percent more than in 1983. The greater part of this sum comes from Ministry of Industry subsidies (3.6 billion francs). The remainder of the funding is provided by other ministries: Defense (266.8 million), PTT (188.2 million) and the organization's own resources (782.5 million). French participation in different European Space Agency (ESA) programs has reached 1.9 billion, or nearly 1 billion more francs than the budget allocated to the national space program properly speaking (984 MF), and far greater than the sums devoted to various bilateral collaboration programs (540 MF). Six hundred and ninety-six million of the overall budget has been allocated to general operating expenses of the organization. Eight hundred and thirty-eight point four MF has been set aside for the Ariane missile program, carried out under the auspices of the ESA, including 115.3 for the European missile development program, 291.4 for production of its satellite launchers and 120 for the industrialization program. Seventy point six MF are allocated to the development of Ariane two-thirds launchers, more powerful than the model already used eight times (Ariane-1) and 241.1 MF to the Ariane 4 model, which will be capable, with its six different versions, of putting into geostationary transfer orbit (at an altitude of 36,000 km) satellites weighing from 2,000 to 4,300 kg. This year, the greatest sums have been allocated to cooperation with the FRG, with 358.4 MF allotted to pursue telecommunications programs (the TDF-1/TV-SAT satellites). The greatest part of the national space program budget has been allocated to observation of the earth with the two SPOT satellites (709.7 MF)--the first one will be launched during the first semester of 1985. This is well ahead of telecommunications (117.33 MF), whose leading program remains the Telecom-1 and 2 satellites which will be launched during the year (the first in July), and ahead of research and development (132.5 MF), balloon-aided studies (18.2 MF) and strictly scientific programs (6.4 MF). [Text] [Paris LES ECHOS in French 23 Mar 84 p 8]

9825

CSO: 3519/286

NEW COMMERCIAL AIRFIELDS PLANNED FOR AEGEAN, IONIAN ISLANDS

Athens TO VIMA TIS KYRIAKIS in Greek 19 Feb 84 p 8

[Article by T. Bosdas: "10 New Airfields on Aegean and Ionian Islands: Those on Kastellorizo and Siteia Will Be Ready This Year"]

[Text] Three new airfields are being built on Astypalaia, Kastellorizo and Siteia, and another seven are to be built on Aegean and Ionian islands. With this program of building small civil airfields, it is believed that in a short time, lines of communication will develop not only to serve the needs of the islands' economic and tourist development but also to ensure links among islands. During the winter months, such links are especially uncertain.

On Astypalaia, work is expected to finish in 1986 at an estimated cost of 90 million drachmas.

On Kastellorizo, work will finish at the end of this year at an estimated cost of 170 million drachmas. So far the prefecture has allocated 70 million.

On Siteia, work is expected to finish in May. Runways 800 meters long have been built with funds from the Prefecture of Lasithi, the EOT [Greek Tourist Organization] and the local Tourist Club. Allocations already amount to 12 million drachmas, with another 8 million to be spent on the access road and the terminal building. Airfields now under consideration for the development of island tourism are to be built on the following islands:

Alonniso, where the proposed site belongs to the state. With community funds, space has been cleared for parking aircraft. The prefecture has undertaken to do the definitive study.

Ikaria, where a preliminary study was approved in 1982 with an estimated expenditure of 400 million drachmas at 1981 prices. The airfield site is in private hands and has to be bought at an estimated cost of 30 million drachmas. Because of high costs, a definitive study was not given any impetus. The construction of the airfield has been included in the prefecture's proposals for its 5 year plan with 200 million drachmas of credit expected for 1984.

Naxos, where a general plan for harbor development was drawn up following a local inspection of the site at Alyki. The final site of the airfield will be determined and then sent on to the prefecture for the completion of a definitive study. The prefecture has come up with an estimate of 250 million drachmas, with 50 million expected to be provided in 1984. Construction is expected to finish in 1987.

Paxoi, where a site has been chosen and construction has been undertaken by the Prefecture of Kerkyra.

Samothraki, where the Prefecture of Evros has undertaken to do a study on the construction of the airfield.

Syros, where the definitive study on the airfield was done in 1973 with the site at Mana. Because of high construction costs, work did not start then. When the same area was inspected in 1983, it was ascertained that given a readjustment in the study, the cost can be significantly reduced. The site at Vari was also inspected, and two sites will be compared so that one can be finally chosen.

Tinos, where only the site at Livaderi was considered suitable for the construction of an airfield. The excavations there are significant, however, and the suitability of the site will be determined only after the costs are determined. Incidentally, the airfield at Araxos will be receiving charter flights as of May.

The daily routes to the islands will be flown by small 20-seat Dornier aircraft (four will be bought) in combination with the fleet /Sentence ends at this point, as published/.

12570

CSO: 3521/194

INCREASED EXPORTS TO EAST GERMANY

Athens I KATHIMERINI in Greek 16 Mar 84 p 11

[Text] Within the framework of the visit which Alternate Minister of National Economy Vaitzos made to the Leipzig Fair on 11 and 12 March 1984, he had meetings and contacts with top-ranking officers of the political leadership and the government of the German Democratic Republic (GDR).

The most important of these was the meeting between the minister and Dr G. Mittag, a member of the Politburo of the Socialist Unity Party of the GDR and Central Committee secretary with jurisdiction over the country's economic affairs, Dr G. Beil, first deputy minister for foreign trade, and others.

Within the framework of these meetings, a complete reexamination was made of the entire complex of the economic and commercial relations between the two countries. The problems were examined and it was confirmed that there was a joint desire for the two countries to move forward on broadening these relations.

The main points on which agreement was achieved are the following:

a) In 1984 a tripling of Greek exports to this country in relation to 1983, with a simultaneous restructuring of the diversity of exported products and an increase in the share held by industrial products and minerals, from the level of 17 percent in 1980 to about 40 percent.

It was jointly agreed that in the coming weeks groups of specialists and company representatives should meet in order to determine the details on the activation of export initiatives for the immediate implementation of commercial transactions in the sectors which were chosen.

b) A broadening and deepening of cooperation in the sector of technology transfer for the needs of both Greece and of third countries, in the form of co-production and consortia. It is well-known that the GDR has first place among the socialist countries with respect to exports to Greece of mechanical equipment as well as in the construction of projects for the needs of the public sector, and that it ranks as the third country in the entire world from this point of view.

The chief areas on which the primary interest is focused in connection with cooperation by the two sides in the sector of State procurements are transport, telecommunications, electrification, and the equipping of mines, ports, and rolling stock.

For the purpose of immediately commencing to implement the transfer of technical know-how in these sectors on a long-term basis, it was agreed that appropriate committees be formed with the inclusion of representatives of competent agencies from the two sides, which during the next 2 months will select the specific sectors and forms of cooperation.

During his 2-day stay in Leipzig, Vaitzos had also the opportunity to visit the site of the fair and the Greek pavilion, as well as to have talks with representatives of large construction firms in the GDR.

12114

CSO: 3521/207

MAJOR AGRICULTURE BANK OUTLAY FOR AGRO-INDUSTRY

Athens I KATHIMERIN. n Greek 16 Mar 84 p 11

[Text] The ATE [Agr. tural Bank of Greece] is expecting to spend a sum of 15.6 billion drachmas for the establishment and expansion of agricultural industries in various regions of the country. Approval has already been given for 90 investment initiatives valued at 11.5 billion drachmas for the creation of new outfits, as well as for 185 investment programs entailing an estimated expenditure of 4.1 billion drachmas. At the same time, the ATE is expediting the procedures for the creation of a special investment agency which will support and coordinate investment initiatives in the sector of processing agricultural products. The cooperative organizations will also participate in this agency.

This was stressed yesterday in a press conference by the governor of the ATE, Vas. Kafiris, who emphasized that 95 percent of the 1983 investment program has been implemented. The governor added that "all the investment plans which are contained in the program of the bank will begin to be executed within 1984, and it is expected that many of the new units will go into operation this year or at the beginning of next year."

It was learned moreover that the intention is to merge those industries which have high production costs and thus are not competitive, with the objective being to create new outfits by using new technology and improved marketing. To be sure, it is not impossible that certain small outfits now in operation but in difficulties may face acute problems of competition from other similar outfits, and thus may be led to the point of having to suspend their operation.

In his statements yesterday, Kafiris mentioned that the industries being newly established--in which a total of 4,800 jobs are being created--include 32 canneries and packing houses for fruits and vegetables, 23 oil-processing outfits, 6 animal-feed industries, 5 wineries, a number of refrigerating-plant complexes, 4 dairy and cheese outfits, 3 cotton-ginning plants, 3 edible-olive canneries, 7 outfits for processing and grading legumes and other foodstuffs including dried fruit, 2 meat-handling industrial outfits, and one outfit each engaged in tobacco and aromatic-plants processing.

The approval and financing of the investment plans was done--the ATE governor maintains--according to criteria involving the viability of the new industries, their contribution to the consumption of our agricultural production, their competitiveness and their orientation towards exports, the use of advanced technology, and the creation of new jobs. As the governor stressed, within the framework of the government's policy the investment plans of the cooperative organizations have been promoted decisively. The bank has approved all the applications for financing the establishment of modern and viable agricultural industries. For this reason, this year the total financing for new processing outfits will be increased by 46 percent in comparison to 1983 and by 241 percent in relation to 1981.

The investment program gives emphasis to branches which create greater employment, are not yet glutted, have an export orientation, or contribute to the absorption of surplus production.

Roughly 46 percent of the total investment expenditure has to do with large industrial units for the processing, packaging, and preservation of fruits and vegetables, for wine-making, and for processing raisins and milk.

Of the 90 industrial outfits which are included in the program of the ATE, 28 will be established in the Peloponnisos, 15 in Makedonia, 11 in Crete, 9 in Thessalia, 8 in the islands of the Aegean, 6 in Sterea Ellas, 5 each in Peiros and Thraki, and 3 in the islands of the Ionian.

Kafiris said that in order to help the agro-industries to properly organize and operate, the ATE is drawing up a program for providing them with staffs of scientific specialists at the postgraduate level (economists, technicians, chemists, specialists in market research, marketing, sales promotion, and so forth). At the same time, it is preparing complete occupational analyses and technological reports which will help in the restructuring and modernization of industries now in operation which are involved in processing agricultural products.

12114

CSO: 3521/207

ANALYSIS OF KKE EFFORTS TO CONTROL MARITIME SECTOR

Athens I KATHIMERINI in Greek 18-19 Mar 84 pp 1, 15

[Article by Dim. Kapranos]

[Text] Our merchant marine seems to be heading into a new whirlwind of problems.

While the international crisis continues to keep Greek shipping captive of its harmful past and its uncertain future, the problems it is facing are putting increasing pressures on it.

At this moment, the most "burning problems" in the maritime arena are the famous matter of the recycling, and the impasse in the negotiations between the PNO [Panhellenic Seamen's Federation] and the EEE [Union of Greek Shipowners] on the signing of the new collective labor agreement.

It appears that the impasse which the negotiations on the agreement seem to be heading toward will have disagreeable consequences for shipping in its labor-union sector.

Undoubtedly the present situation is benefiting the KKE above all, in its attempt to nibble away at the seamen's unionist camp as much as possible.

Furthermore the intentions of the KKE are no longer hidden. Following the "memorable" speech given by And. Ambatielos to the Chamber of Deputies (on 3 February 1984), the position of the KKE vis-a-vis our shipping is quite clear.

Ambatielos said: "The Greek merchant marine is an investment entered into by monopolistic or American capital. And it does this for manifold reasons. It is not only for economic but also for strategic reasons that they want to control our shipping (NATO, and so forth)...."

In other words, according to Ambatielos Greek shipping is an organ of "imperialism," of NATO, of the Americans, and of all the infernal enemies of the "subsisting socialism" for which the KKE is struggling. That is, it is the "enemy of the people"! The attitude of the seamen's unions under the control of the KKE also ought to be interpreted in this light. Last summer, these unions brought our pleasure-cruise boats to a standstill

while in the same period the Soviet boats roamed the Mediterranean and dropped their fares down to cut-rate levels.

And it is even easier to understand why the KKE has never put into practice the "moratorium" in the seamen's sector. Since our shipping is an organ of NATO, it must be combatted! It is immaterial that about 1 million Greeks are directly dependent on this!

And the delay in the negotiations on the agreement is strengthening the two unions--as of now--which are controlled by the KKE. The PEMEN [Panhellenic Union of Merchant Marine Engineers] and the PENEN [Panhellenic Union of Merchant Marine Cooks] are preparing for "new militant mobilizations," and the party of "subsisting socialism" now sees that the moment is approaching for capturing other unions as well.

Coordinated moves are already being seen in the union of radio operators, for which an administrative body was assigned by the courts. The many tasks of the appointed chairman (he belongs to PASOK and the party is using him in a number of posts) have left the field free to other members of the appointed administration--who associate themselves with the KKE--to "work" unimpeded....

It is easy to consider what will happen if the unions are captured. Since with the present--moderate--PNO administration the agreement is not "making headway," what will happen with a pro-communist PNO?

The Negotiations

But let us see where the agreement stands today.

The EEC--in which the disharmony in relations among the members of its Administrative Council have become more and more evident recently--proposed to the PNO a new agreement with a duration of 18 months, an increase of 3,500 drachmas for the first 12 months, and an increase of 5,200 drachmas for the last 6 months.

The proposal was considered "unrealistic" by the PNO. The 18-month provision was rejected without discussion. The increase was characterized as low, and the question of retroactive considerations was raised (the old agreement expired on 31 December).

The EEC answered that "the issue will be reexamined." And this means councils, conferences, and other time-consuming proceedings.

Thus, an impasse in the negotiations is considered certain. And of course the administrations of PEMEN and PENEN have every reason to feel satisfied. Indeed, especially when not the slightest possibility of an agreement is appearing on the horizon.

Meanwhile, the well-known recycling issue continues to be a key problem for Greek shipping. Indeed, especially after the finding that the--possibly

proper--engagement of the "unemployed seaman" by the Ministry of Merchant Marine has not brought about the expected "weakening" of the measure.

The recycling measure exists, and the problem remains. And this is perhaps one of the few cases where PASOK has proclaimed that it is willing to rectify any mistake it has made! When there was a discussion in the Chamber of Deputies on the bill concerning the measures "on behalf of" shipping, Katsifaras had said that "if the law were to turn out to be of no help, we are back at square one...." Thus, the time has arrived--if it is not already too late--for the political cost to take second place and for the oppressive measure of "recycling" to be abolished. By means of some amendment or by way of a bill of an emergency nature, the measure which so distresses Greek shipping must cease to be operative.

12114

CSO: 3521/207

REPORTED INTERMINISTERIAL BATTLE OVER ECONOMIC POLICY

Athens I KATHIMERINI in Greek 30 Mar 84 pp 1, 3

/Text/ The government's economic policy, especially the implementation of the socialization law, is leading to a rise in unemployment. This view was expressed yesterday at the ministerial council meeting by Minister of Labor E. Giannopoulos when he answered Minister of National Economy Arsenis who attempted to provide a new interpretation of the "meaning" of socialization.

The dispute also extended to the implementation of the socialization law which the labor minister said "he never did believe in." The prime minister avoided taking a stand in the dispute and considered the ministerial council meeting adjourned without any decision being made as to the policy that the government will implement.

Mr Papandreou wanted to completely downgrade the political significance of the ministerial council meeting and did not refer at all to the resignations of Minister of Finance Pottakis or of Deputy Minister Pitsioris only 3 days after the government reshuffle.

With regard to this issue, St. Panagoulis, secretary general of the United Socialist Front of Greece, charged yesterday that Mr Pottakis' resignation came about because he refused to agree to the issuance of inflationary currency in the amount of 70 billion drachmas.

Prime Minister Papandreou left it up to Mr Arsenis to explain that socialization measures relate only to the public sector and asked for the implementation of Article 4 that freezes all strikes.

The proposal by the Minister of National Economy and Finance took on the nature of an instructive explanation of what socialization and the implementation of Article 4 mean, saying that PYRKAL /expansion unknown/ had never been socialized calling it a firm nationalized and controlled by the state.

The new interpretation that the government is using is considered by certain circles as the onset of new tough measures against strikes that have cropped up particularly in the public sector of the economy. Besides, the opposition shown by Mr Giannopoulos is likewise interpreted. The latter managed to show his differences from the very first moment, indeed stressing that he had never believed in that law.

At any rate, the government has not up to now implemented Article 4 in any strike and it is characteristic that with regard to the strike by hospital doctors over which the government wanted to implement the law the one judge court of first instance has not yet issued its decision.

The Minister of Labor disagreed with Mr Arsenis over the economic policy being followed, maintaining that the implementation of socializations has led to a rise in unemployment.

Specifically, Mr Giannopoulos criticized the government's policy over problem firms and over the delay for approving a single authority to handle the cases, as well as over the delays for the financing of problem firms.

The prime minister avoided answering and the ministerial council meeting ended without giving any answer to the disagreement and without deciding what policy to follow.

Mr Papangoulis' statement reads as follows:

"I did not comment on the resignations of Minister of Finance Pottakis and Deputy Minister of Finance Pitsioris --old-time rivals-- because I expected that a government has an obligation to provide ample explanations over the 'cold-blooded' decapitation of a third minister of finance in the space of 2-1/2 years and the appointment of a fourth one in a manner that insultingly harms the democratic-parliamentary process and undermines constitutional functioning.

"The government, and the prime minister personally, are responsible for the various impasses that have blocked our national economy and they are accountable for the threatened impoverishment of the workers through the anti-popular policy of one-sided frugality.

"I reveal to the Greek people today all the truth over the resignation of the Minister of Finance: Giannis Pottakis --to his honor-- refused to agree with the decision of the prime minister, Mr Arsenis and Mr Livanis for the illegal issuance of inflationary currency in the amount of 70 billion drachmas.

"I call on the prime minister to reflect on his responsibilities vis-a-vis the workers, the popular movement and history."

Former Minister of Finance Pottakis, referring to Mr Panagoulis' statement, said the following:

"I repeat today that the reason for my resignation as well as that of Deputy Minister Pitsioris, --as I publicly stated at the very first moment-- is the merger of the two ministries under one single administration. I reaffirm this today. Any other interpretation does not correspond to the truth."

5671

CSO: 3521/224

KOLMER ON SOCIAL STRATEGY FOR COMPETING WITH TURKEY

Athens MESIMVRINI in Greek 23 Jan 84 p 8

[Article by K. Kolmer, MESIMVRINI economics commentator; passages enclosed in slantlines printed in boldface]

[Text] Greece reached 1983 with a population of 10 million inhabitants, which means that it has 75 inhabitants per square kilometer of territorial area. At the same time our neighbor Turkey, with 47 million inhabitants, has 57 inhabitants per square kilometer, with a territorial area one and one-half times that of France. If France were Greece's neighbor, our population troubles would not be as grave as they are today.

Turkey, however, will have 70 million inhabitants in the year 2000 and Greece 10.5 million. Thus in the year 2000 there will be about 80 Greeks for each square kilometer of Greek land to support, while in Turkey there will be 86 Turks per square kilometer, who will be suffocating under their oppressive economic problems. Their government will seek solutions, either to keep them busy or to reorient them (I all but said "disorient"). The upsetting of the current balance between the two countries is Greece's most critical long-term problem.

If now to clearly Greek land we also add /ethnic/ Greek land (Cyprus, a 12-mile sea zone of 2,800 islands of the Greek archipelago in the Aegean, Northern Ipeiros), then in the year 2000 fewer than 40 Greeks per square kilometer will correspond to the 300 square kilometers of our "/vital/" ethnic land.

This means that until the year 2000 the Greek multiplier for remaining in equilibrium with Turkey (all things being equal for Turkey) must rise from today's 1.5 to 2.3. In other words it must increase more than half. Within the next 15 years, in other words, the /qualitative/ excellence of Greece compared to Turkey must increase by at least 50 percent, and be more than two times higher than the corresponding Turkish level. This (arbitrarily) without--and we emphasize this--any qualitative excellence occurring in the meantime in Turkey as well, so that the pressure from the north will remain inactive during the next 15 years without a "Macedonian issue," pressures for a "sortie into the Aegean," and other fantastic--but not at all unimaginable--foreign claims at Greece's expense, supported also by local foreign agents.

Qualitative Counterbalance

Why are we saying all of this now? Simply to emphasize our country's difficult prospects up to the end of the century, and to bring to the analysis the qualitative element of the Greek population, as opposed to the inadequate quantitative element. In other words, something, which neither the 5-year plans of KEPE [Center for Planning and Economic Research], nor the socialists governing us, nor the entire political world is saying, results from an elementary analysis of our country's careful situation: namely the only prospect for the Greek nation's survival is its qualitative improvement. The increase in Greece's qualitative factor from 1.5 to 2.3 in respect to Turkey (all things equal) is imperative if we want to survive as an associate on equal terms with the "sleeping" neighboring giant.

Nevertheless, even if it is clear, as much from Greece's history as from the population analysis, that only through qualitative excellence can the Greeks counterbalance the pressure from the east--not only from the north--at any rate this indisputable truth is not only being concealed from the Greek people (for example by distorting recent Greek history in a populist manner), but this truth is also actually called into question by the official policy of the Greek state. We explain as follows:

1) State policy has been quantitative--not qualitative--for more than 10 years, not only now where the leveling socialist typhoon is blowing fiercely and uprooting whatever is taller than the social grass. It aims at a quantitative rise in the national product, not a qualitative one.

What do we mean by a quantitative state policy? That all state measures taken in Greece during the past 6 years were not designed to increase the quality of the average Greek but rather to raise his average standard of living quantitatively, namely for the lowest income classes. Thus, for example, between 1977 and 1982, while per capita income in constant buying power rose by 78 percent, the volume index of the gross national product grew by only 11 percent and gross national capital investments remained stationary--if they did not decrease.

2) In addition, during the last 3 years revenue and taxation policy, instead of encouraging the quality of those working (those with high salaries), directly hurts the cadres and skilled classes of workers by continually widening the distance from the unskilled, laborers, and farmers. At the same time it is pursuing the business class through squeezing profits, encouraging social slanders, and nationalistic tensions.

All these things, however, lower national productivity and undermine the qualitative excellence of Greece. Because if Greece excels in anything, it is compared to Turkey, it is in the business class and the cadres of the private economy, not, unfortunately, of the public economy.

Testimonial of Qualities

The last 1000 report on the populist policy followed for the last 10 years is as follows:

"The rapid rise of the lowest salaries, longer vacations, shorter work hours, and fall in productivity, have led to accelerating the rise in the cost of Greek products from 18 percent in 1979 to 26 percent in 1981 and 25 percent in 1982. Indeed production cost in Greek industry increased by 38 percent in 1982." This is what the OECD states about the competitiveness of our economy, which is being undermined by populism.

If this is happening to the economy, however, what may one say about what is going on in education--especially in "higher" education?

3) The universities and polytechnic schools are going from bad to worse. The student-faction establishment is now succeeding the "professorial establishment" of the past. The number of AEI [Supreme Educational Institutions] and educational personnel is growing as rapidly as the level, namely the quality, of studies and degrees is falling in Greece.

4) Despite the increase in the number of universities and teaching personnel, of all the EEC countries Greece has the smallest number of undergraduates and students out of its entire population between the ages of 5 and 24 (65 percent versus the EEC's 72 percent) and the smallest economically active population (37.8 percent of the whole as opposed to 42.7 percent for the EEC and 38 percent for Turkey). This means not only that fewer Greeks are being educated today, but that more Greeks are outside of the classroom and without employment, and are increasing the ranks of the do-nothings of the Ministry for the New Generation.

If the role of ideology in the long term corresponds to the role of education in the medium short term, then ideologically we are not doing at all well with the demand for quality. Here populism has completely prevailed over elitism in Greece. Today who dares to speak about quality in our country without being in danger of being considered a heretic by "progressive" intellectuals?

Ideology and Government

History is taught in our country in a way which flatters the masses and conceals the role of our natural leaders. Art is cultivated so that it conforms to the taste of the uncultured and undeducated instead of raising the aesthetic criterion of the people (it is typical that while there are abundant arenas, our country lacks a concert hall). Learned societies are occupied by the mediocre and political party elites have replaced learned ones in selecting professionally qualified persons for public positions.

In addition, public health is being reduced to even lower levels: on the one hand by systematically slandering the medical corps and on the other hand through consciously leveling hospital services so that "free health" is more expensive to society than the imperfect, up to now, but effective mixed system.

Finally, the government of Greece, instead of attracting the best professional talents is discouraging them. It oppresses those it has and drives away as many as it can find by the standard of living and governmental usages which it is establishing (for example what is occurring in the diplomatic branch). Thus

it is certain that in the year 2000 Greece will be a state without a government and a government without cadres--without, that is to say, public servants.

This because it is certain that the "hacks, holders of sinecures, little autocrats, party heads, hired clagues, flatterers, opportunists, hypocrits, as well as speculators and profiteers,"--as D. Athanasopoulos says in one of his marvelous works*--will have neutralized the public servants." Namely exactly the opposite of what is occurring in neighboring Turkey.

I wonder, therefore, if we require a panhellenic campaign to repatriate the meaning of quality as opposed to that of quantity? If not, then let us prepare ourselves for the year 2000!

* D. Athanasopoulos, "I Elliniki Dioikisi" [Greek Government], [Athens], Ekdoseis Papazisi, 1983, p 313.

11587

CSO: 3521/173

POLL SHOWS VOTERS INCREASINGLY CONFIDENT ABOUT ECONOMY

Oslo AFTENPOSTEN in Norwegian 26 Mar 84 p 7

/Unsigned article: "AFTENPOSTEN and MMI's Business-Outlook Barometer: Heightened Belief in Uptrend"/

/Text/ Belief in an economic upswing has become significantly stronger in the course of recent months. This growing optimism is the main reason that the business-outlook barometer of AFTENPOSTEN and the Market and Media Institute now clearly points up. The barometer reading is now 91, which represents a strong uptrend compared to October of last year when the reading was 68.

This recent upturn reinforces the trend from the first months of last year when AFTENPOSTEN/MMI's business-outlook barometer rose from 29 in January to 70 in May. The optimism stagnated somewhat in the months that followed, but it is now breaking out in a new belief in a general economic uptrend.

AFTENPOSTEN/MMI's business-outlook barometer is based on interviews with a representative selection of 1,200 persons. The interviews were held in January of this year.

While 29 percent of those questioned in October of last year believed in a deterioration of the general economic situation in the coming 12 months, this share in January had been reduced to 16 percent, which is the lowest since the inquiries began in the autumn of 1981. Those who believe in an improvement rose from 16 percent in October to 24 percent in January.

Appraisals of one's own economic situation in the coming 12 months are also somewhat more optimistic, but here the outcome was less sanguine than in question about the general economic development. While 19 percent in October thought there would be an improvement in their own economic situation, this share had now risen to 21 percent. At the same time those who expected a deterioration fell from 16 percent to 13 percent.

Belief that the price trend has now been brought under better control is clearly stronger. While only 10 percent believe in a stronger price rise, 18 percent feel that the rate of the price rise will continue to diminish. The corresponding figures in October were 15 percent and 23 percent, respectively. In January 34 percent were of the opinion that the price trend would continue at about the same rate as up until then.

The share of those who believe in a stronger price trend has gone down from 27 percent in January of 1982 to the current level of 10 percent. In May of last year only seven percent of those asked believed in a stronger price increase.

However, there continue to be many who fear a further increase in unemployment in the coming 12 months. Over 51 percent of those questioned in January answered that they thought the number of jobless workers would be even higher in a year. Just 21 percent believe there will be a drop in unemployment in this period. There is, however, a much stronger belief in an improvement in the situation on the job market among Conservative Party constituents than among those who say they will vote for the Labor Party (18 percent).

Evaluation of the general economic situation is also influenced by the party affinity of those questioned. Among those who say they will vote Conservative 42 percent answer that they expect an improvement in the course of the coming 12 months. The corresponding figure among Labor Party constituents is 17 percent. Within the Center Party and the Christian Democratic Party as well, optimism is clearly more restrained than among the Conservative voters. Of the constituents of these two government parties there were 20 and 21 percent, respectively, who responded that they believe there will be a betterment of the general economic situation in the next 12 months.

There is also a clear tendency for those with a high income to have a greater belief in an economic uptrend than for those with a lower income. In the group with income under 100,000 kroner a year, 16 percent answer that they think there will be an improvement, while in the group with annual income over 160,000 kroner there are 32 percent who feel that the general economic situation will get better in the course of the coming 12 months.

There is considerable optimism in reference to the more long-term development. Of those questioned 55 percent feel that they will have a higher income in 4 years than they now have. Only eight percent believe they will have a lower income in the course of this period.

12327

CSO: 3639/96

TWO YEARS OF ECONOMIC GROWTH PREDICTED

Zurich NEUE ZUERCHER ZEITUNG in German 1/2 Apr 84 p 12

[Text] In its most recent analysis, the Economic Research Institute of Zurich's Federal Technical University has reached the conclusion that, following the economic stagnation of 1983, Switzerland can now look forward to two years of economic growth. Unemployment is expected to show a gradual decline, with real economic growth in both 1984 and 1985 averaging about 2.5 percent and the rate of inflation hovering around 3 percent.

In their analysis, the Zurich economic experts came to, inter alia, the following conclusions: The growth of exports and increase of investments, which were the result of improved international economic conditions, were responsible for the expansion of the economic recovery that started at year-end 1982. The expansion will continue during the forecast period, but will lose some of its momentum starting in the fall of 1984. However, the gross domestic product will rise by a good of 2.5 percent per year in both 1984 and 1985.

As a result, there will be a gradual decline in unemployment to about 15,000 and the inflation rate will stay at about 3 percent per year. But despite these favorable short-term prospects, there is no reason to believe that this growth will continue without interruption during the second half of the 1980s since existing worldwide economic problems (debts crisis, protectionism, budget deficits, distorted exchange rates) will remain unresolved.

Forecast Assumptions

The forecast of economic trends in Switzerland is based on the following assumptions:

Global economic recovery will continue. However, the growth rate of the real gross national product will decline with each quarter. In Europe, on the other hand, recovery will continue with unabated intensity. Demand in developing countries will rise only sluggishly in spite of higher earnings from raw material and crude oil exports.

The franc will gradually gain in strength vis-a-vis the dollar during the period under review although the nominal interest rates in the U.S. have lately resumed their upward trend. Compared to EWS (European Monetary System) currencies, particularly the German mark, the franc will slightly depreciate in real terms.

However, the scenario sketched out here is threatened by uncertainty since the rise in dollar interest rates is likely to aggravate the debt crisis. In addition, the continued strong overvaluation of the dollar carries the risk of turmoil in money markets.

Exports Caught in the Wake of World Trade

Since the second half of 1983, Swiss exports have been caught up in the wake of expanding global trade. In view of moderate wage increases and the slight devaluation of the franc in real terms, Swiss exports are going to become somewhat more price-competitive during the forecast period. It seems that this, combined with more intensive rationalization and restructuring efforts, provides all the prerequisites that will enable exports to participate in the future growth of world trade.

This year and in 1985 as well, the recovery will be supported by investment. Since capacity utilization was not unusually low during the recent recession and since business profits are expected to improve considerably in the course of this year, there is a good chance that capital goods investments, in particular, will enjoy a much larger expansion during the forecast period. The recovery of the building sector, on the other hand, is likely to follow a rather quiet course, primarily because of the slower growth in the demand for housing construction.

Already in 1983, the slower liquidation of pre-product inventories has a stimulating effect on the recovery. While more favorable business conditions are expected to reduce the finished-product inventories this year, a strong build-up is expected for inventories in the pre-product and wholesale product area. Even though, the resulting additional demand will, to a large extent, be met by imports. No additional demand stimulation can be expected from the inventory cycle in 1985. In view of the general improvement in the economic climate, the revival of the job market and the employment-related growth of disposable income, private consumption, which provided the impetus for the current economic upturn, is expected to rise at an accelerated rate during 1984 and 1985.

Revival of the Job Market

With its customary delayed effect on production and value-added, the economic turnaround finally reached the job market during the fourth quarter of 1983. The decline in overall employment has now stopped. The number of workers in all sectors will increase this year, but 1985 will probably see a slowdown in the demand for workers. Unemployment which, seasonally adjusted, has fallen since the fall of 1983, will slowly decline as a result of an increase in the number of available jobs and the continuing flexibility of the job market.

As recovery continues, there are once again signs of inflationary pressures that are developing. Prices at the consumer level began to rise in the fall of 1983. However, in view of the fact that the central bank is planning to expand the money supply this year by only a moderate 3 percent and presumably will stick to this level in 1985 as well, it is likely that inflation will not accelerate to any significant degree. Nevertheless, the continuing small increase in the price of imports and slightly rising wage costs which can be passed on because of the improved economic situation, impede further progress in efforts to stabilize prices.

7821

CS0: 3620/228

LIBYAN MINISTER ON POLICY TOWARD TURKISH CONTRACTORS

Istanbul CUMHURİYET in Turkish 29 Mar 84 pp 1,6

[Text] Ankara--Libya's Secretary of Agrarian Reform and Land Reclamation, 'Umar Durdah, said: "Some firms working on contracts in Libya are exaggerating their claims and are making a lot of noise." Speaking in Ankara at the special general assembly meeting of the Association of Turkish Contractors Working in Libya, Durdah charged that false information is being disseminated in connection with the claims of Turkish firms in Libya and demanded that such reporting be ended. He said:

"Firms that have failed in Libya should not give false information to the press. They should not force us to say what we have not said so far.

"If such acts are not brought to an end we can disclose the names of unsuccessful Turkish firms in Libya which have been working for other countries against Libya's security interests. We can also disclose how workers brought from Turkey were made to work under improper conditions by certain firms."

Stating that when Turkey encountered economic difficulties Libya came to its rescue with all forms of help, Durdah said:

"When we provide economic assistance we offer realistic terms, unlike Western countries which ask for high interest rates on their loans. We are making sure that Turkish firms win contracts in Libya and that they employ Turkish workers.

"While only a handful of Turkish firms operated in Libya up to 1980, today there are 150 Turkish firms and 120,000 Turkish workers working in Libya. Contracts currently handled by Turkish contractors amount to \$9 billion. All these show how Libya helped Turkey with all its strength when Turkey faced economic problems."

Noting that all countries are experiencing economic crises, Durdah said that Western and socialist countries have submitted various proposals to Libya to help overcome this crisis.

Stating that easements have been offered by several countries on the financing of machinery, produce, materials, marketing and construction projects, Durdah said: "If you too can make such offers we will give you preference in the realization of projects."

At the end of his speech, Durdah demanded from the Association of Contractors Working in Libya to rid themselves of "unsuccessful" firms with "ulterior motives" toward Libya.

Minister of State Ismail Ozdaglar said in his address to the general assembly that Libya always stood by the side of Turkey whenever Turkey had difficulties.

9588

CSO: 3554/194

FIXED CREDIT LEVELS, PRIVATE SECTOR RESPONSE

Istanbul DUNYA in Turkish 29 Mar 84 pp 1,11

[Report by Taylan Erden]

[Text] Ankara--As the decline observed in bank credit volume since the end of January 1984 appears to have reached its "low point", capital-intensive firms have intensified their efforts to overcome--though "only to a certain extent"--the foreign resource shortage through their own means. Since the beginning of 1984, major firms with activities in various sectors have been seeking ways to expand their resources by increasing their capital.

Many firms which are leaders in their sectors both in size and in productivity have increased their capital base either directly or by taking advantage of the new reappraisal schemes offered. However, at a time when two major factors, the low factory utilization level and the depressed domestic market, are dominant, the financing problems of the industrial and trade sectors--whose annual credit demand is currently hovering around 3 trillion Turkish liras--are not expected to be resolved any time soon, particularly in view of the government's continued "strict" application of monetary restrictions.

Credit Bottleneck

The Ozal government, which emerged victorious from the local elections, has responded to the need to increase production by choosing a policy of "utilizing existing idle industrial capacity" over one of "new investments." This policy conflicts with restrictions resulting from commitments made to the IMF as well as the need to "carefully maintain" a money supply which will "not spur inflation." However, data made public by the banking sector since the beginning of 1984 shows that the latter result is preferred over "increased production."

Most recent data compiled by the Central Bank shows that the credit volume of public and private banks has declined compared to the end of January and that funds available for loans held by eight major private banks hovered around 2.403 trillion Turkish liras as of the end of February. Funds loaned by all banks to the industrial and trade sectors declined from 2.8529 trillion Turkish liras on 27 January 1984 to 2.8087 trillion Turkish liras on 24 February 1984. This figure rose by 0.2 percent to 2.8169 trillion Turkish liras at the beginning of March--the latest date for which figures were available.

It was also determined that the credit volume of the eight major private savings banks which have substantial influence over bank-derived financing volume has settled down to a fixed level. Funds lent out by the eight major private banks declined from 1.0703 trillion Turkish liras on 27 January to 1.0690 trillion Turkish liras on 24 February, and this figure remained roughly the same at the beginning of March.

A hardening trend is also observed in funds loaned by public savings banks. Loans given out by these banks stood at 1.2183 trillion Turkish liras on 27 January 1984. This figure declined by 3.8 percent to 1.1731 trillion Turkish liras on 24 February 1984, thus giving the first sign of weakness in the financing power of the public banks. Figures published for 2 March 1984 indicated that credits extended by these banks declined by another 2 billion Turkish liras to 1.1710 trillion Turkish liras.

Private Sector Efforts

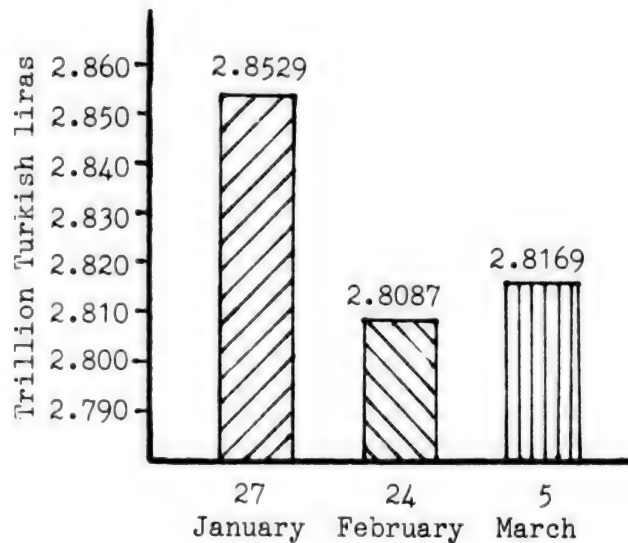
The Ozal government's "determined" implementation of its policy of reducing the use of foreign resources in the public as well as private sectors has naturally forced firms to expand their own resources. Corporations, which include many firms in leading positions in their respective sectors, have been expanding their capital base on an increasing scale. To this end, fresh funds resulting from the reappraisal legislation as well as a direct expansion of partnership shares have begun to be utilized. Corporations which have concluded their efforts to develop their own resources in the new year are:

MEPA [Central Marketing Corporation], headquartered in Istanbul, raised its capital from 100 million Turkish liras to 500 million Turkish liras utilizing fresh resources generated by new partnership shares. Bilim Drugs Industry and Trade Corporation raised its capital from 200 million Turkish liras to 290,854,000 Turkish liras utilizing funds generated by reappraisal. Herboy Industry and Trade Corporation, a textiles firm, raised its capital from 85 million Turkish liras to 117 million Turkish liras through reappraisal. SATUDAS [Sakarya Agricultural Products Corporation], a food products company in Adapazari, increased its capital from 100 million Turkish liras to 324 million Turkish liras by increasing its partnership shares.

Similarly, the Tukas Canning Corporation raised its capital from 180 million Turkish liras to 650 million Turkish liras using resources generated by reappraisal. ERSAN [Erzincan Food Products Corporation] has decided to raise its capital from 40 million Turkish liras to 1 billion Turkish liras. The Adapazari Sugar Factory raised its capital from 1.080 billion to 1.2 billion Turkish liras through reappraisal. The Amasya Sugar Factory increased its capital from 680 million Turkish liras to 800 million Turkish liras. The Modern Textile Industry of Istanbul raised its capital from 10 million Turkish liras to 120 million Turkish liras, while the Galkon Corporation in Ankara increased its capital from 100 million Turkish liras to 200 million Turkish liras. The Istanbul-based Fenis Aluminum Holding Corporation raised its capital from 125 million Turkish liras to 350 million Turkish liras.

Firms that substantially increased their capital base include Turk Pirelli which raised its capital from 720 million Turkish liras to 1.25 billion Turkish liras.

Banks' Total Credit Volume



The firm's foreign partners, Societe Internationale Pirelli S.A. and Pirelli Societe Generale S.A. contributed 270,300,000 Turkish liras to this expansion. The Bursa-based A.S.F. Textile and Dye Industry Corporation raised its capital to 1.215 billion Turkish liras by using 810 million Turkish liras generated through reappraisal.

The Tekfen Manufacturing and Engineering Corporation raised its capital from 10.5 million Turkish liras to 300 million Turkish liras. The Turk Tuborg Beer and Malt Industry Corporation decided to increase its capital from 1.235 billion Turkish liras to 3.5 billion Turkish liras. The firm will raise 988 million Turkish liras of the increase through reappraisal. Similarly, the Istanbul-based Filiz Food Corporation began implementing its decision to raise its capital from 450 million Turkish liras to 1.5 billion Turkish liras. The Kayseri-based Meybuz Corporation decided to raise its capital from 750 million Turkish liras to 1.185 billion Turkish liras. The capital expansion trend is expected to continue through the first half of the year.

9588

CSO: 3554/194

KETENCI PESSIMISTIC OVER COLLECTIVE BARGAINING RESTRICTIONS

Istanbul CUMHURİYET in Turkish 29 Mar 84 p 9

["From the World of the Worker" column by Sukran Ketenci: "Deafness"]

[Text] All officials and everyone concerned were amply warned at the time about all the problems and impasses encountered today in connection with the workers' inability to exercise their collective bargaining rights and to select the authorized unions.

The schedule of transition to democracy knowingly extended the terms of the collective agreements renewed by the Supreme Arbiters Council [SAC] for the majority of workers so as to cover 1984 against the advice of the unions involved, other concerned circles and the press. Hence, the right of collective bargaining which seemingly exists by law will not be accessible to the majority of the workers, nearly 750,000 of them, until the end of 1984.

It was emphasized previously that the requirement that a union must organize at least 10 percent of the workers employed in certain work branch in addition to organizing at least 51 percent of the workers in a work place would not only mean a restriction on a basic union right, but would also prevent a substantial group of unionized workers from exercising their rights. Statistical data has now been published. The results are clear: Although the total number of workers employed in work branches was deliberately kept low to free the law from any blame, in several work branches no union was able to clear the 10-percent threshold required for authorization to conduct collective bargaining, and in the remaining work branches a large number of unions were similarly unable to clear the threshold. Thus, in certain work branches all the workers and in the remaining branches unionized workers who are members of unions which could not meet both the 10-percent and the 51-percent requirements are now unable to exercise their collective bargaining rights. Our initial assessments indicate that, apart from the 750,000 workers whose pay raises for 1984 were determined by the SAC, 250,000 workers--out of 500,000 who are eligible to exercise their collective bargaining rights--will remain without collective agreements as a result of this situation. Let us add that had the Ministry [of Labor] compiled its data in accordance with the laws--in other words, had it not counted the legally invalid fraudulent members in unions--and had it reported the actual total number of workers employed in work branches, the threshold requirements

would not have been met in many more work branches and many more workers would be left without collective agreements. This problem is not peculiar to the initial period of implementation of the laws. As statistical data is published every January and July in coming years, to the extent that the said data comes closer to the truth and the law, more and more unionized workers will have to face the problem of not being able to exercise their union rights. An excessive number of restrictive provisions included in the laws have precipitously ended union proliferation in Turkey--frequently complained about in the past--and the number of labor unions has suddenly dropped from around 800 to below 100. Why, then, the insistence on the threshold requirement which is causing so many problems and which is preventing so many workers from exercising their collective bargaining rights? Furthermore, the Ministry [of Labor] does not have any plans for the workers who have been left without collective agreements even though the emergence of this result was known well in advance.

The "referendum" option, which we saw as the most rational means to counter the multifarious problems and fraud encountered in the past in the determination of the authorized unions, was strongly opposed despite all the advice in favor of it, and the computerized solution was opted for. But it is clear that the computer will yield results based only on what input it is given. The Ministry of Labor and Social Security has fed to the computer data based on statements by the sides involved without verifying their legitimacy, and the resulting statistics have exacerbated the existing state of confusion. This happened despite so much cautionary advice on the need to verify the legitimacy of the statements which were based on fraudulent memberships. Even we know that certain unions which have been issued authorization certificates on the basis of the acceptance of their claim that they represent more than 10 percent of the workers in certain work branches are not organized in any work place. How likely is it that the bureaucrats working at the ministry do not know that the membership of such unions is entirely fraudulent?

And now, unions which could meet the threshold requirements are being held off from exercising their collective bargaining rights for workers whose collective agreements have expired on different dates since January. According to the law, the Ministry of Labor should give a response to the union applying for authority to negotiate within 6 days. But the ministry is so irresponsible as to say: "We could not verify memberships while we were examining the work branch. We do not have any work place data on hand. We are currently assessing that situation. We cannot give any replies immediately. As a result there will be some delay." Delays in the issuance of the authorization certificates, coupled with the time to be lost in lawsuits in connection with the validity of memberships--since fraudulent memberships were taken as the basis from the outset--will mean that the collective bargaining system will not begin functioning and workers without collective agreements will have to work for their existing wages for months to come.

Workers who cannot exercise their collective bargaining rights thanks to the skillfulness of the SAC and the threshold requirement and workers whose ability to exercise their collective bargaining rights is delayed by the ministry's withholding of authorization to the unions... The virtual "deafness" accorded to and the absence of any responses to all the warnings issued at the time and the continuation of that "deafness" today... Frankly, we cannot be so

optimistic as to say that they did not respond to those warnings because they were not impressed. Because when deaf ears are turned to those warnings, workers cannot exercise their collective bargaining rights, they are forced to work for their old wages without collective agreements and union safeguards even though they are unionized, while billions of Turkish liras flow into the coffers of the employers.

9588

CSO: 3554/195

NATURAL GAS POLICY BECOMING POLITICAL ISSUE FOR LEFT

Copenhagen BERLINGSKE TIDENDE in Danish 16 Mar 84 p 12

[Editorial: "Symbolic Policy"]

[Text] Parliament has adopted an insignificant energy policy agenda. It aims at a more systematic development of lasting energy, promoting savings in electric consumption and strengthening DONG (Danish Oil and Natural Gas) and other natural gas companies' efforts to sell more natural gas. The government parties did not vote for the agenda which they, like the Radical Liberal Party spokesman, found meaningless. That, however, did not prevent the leftist parties from voting for it.

The adopted agenda is a new expression of the symbolic energy policy which a parliamentary majority is determined to pursue. With the Socialist People's Party leading the banner, the impression seems to be that electricity, not to speak of nuclear power, are evil and right-oriented, while natural gas and, above all, the so-called lasting energy represent something good and left-oriented.

It is difficult to take this symbolic policy seriously. To reduce oil consumption due to the risk of a problematic supply situation internationally might be one Danish energy-policy goal, for example. To supplant oil has actually been a part of Denmark's energy policy. But in that regard, it is difficult to understand what is actually wrong with electric power. It is now chiefly being produced on the basis of coal and the replacement of oil has thus been completed in that area.

Nevertheless, a parliamentary majority feels that it is particularly important to limit electric consumption. The price of electricity already represents the cost of producing the energy and, furthermore, the government already levies heavy taxes on electric consumption. One would think that electric power consumers would find out for themselves whether it would be advisable to use more or less electricity. But, by virtue of a symbolic policy, it has long since been decided that electricity and electric power plants represent something evil ideologically. Hence, without further socio-economic reasoning, electric consumption should preferably be limited.

Another energy-policy goal might be to reduce pollutants such as sulfur dioxide, nitrogen oxides and carbon monoxide, etc., from burning fossil fuels. But then we ought to concentrate on nuclear power, which must be considered the kindest form of energy environmentally. In the parliamentary majority's opinion, however, that is out of the question. But there is no mention of that fact in the adopted agenda. Symbolic SF (Socialist People's Party) politicians, however, have never concealed the fact that nuclear power in itself is evil and right-oriented.

Windmills, on the other hand, are good. It is difficult to understand what must be done in situations where windmills produce electricity, which is evil. On the whole, the parliamentary majority's energy policy would be best served by not being subjected to a closer analysis.

8952

CSO: 3613/110

DATA ON PTOLEMAIS LIGNITE DRILLING

Athens I KATHIMERINI in Greek 30 Mar 84 p 9

/Excerpts/ Minister of Energy and Natural Resources E. Kouloumbis announced yesterday that according to a geological study completed by IGME /Institute for Geological and Mineral Research/ and DEI /Public Power Corporation/, the reserves of the lignite deposit of Komnion, Ptolemais, amount to 264 million tons of which 168 million are exploitable.

According to the data of the survey carried out by drilling units that made 121 drillings over an area of 19,108 miles, the quality of the Komnion deposit is of the "wood coal" variety.

As the minister explained, the exploitable quantity of 168 millions tons can supply steam-powered electricity generating plants with an overall power of 600 MW as well as a lignite gas producing plant for the region for approximately 25 years. The exploitable deposit is equivalent to 30 million tons of petroleum. As far as energy reserves are concerned, they are about three times that of the Prinos reserves.

Mr Kouloumbis said that the DEI has already planned the establishment of the first 300 MW unit and will move forward toward the establishment of a second one with the same power as soon as certain problems that are related to the mining of the overall exploitable deposit are resolved.

5671

CSO: 3521/225

INDUSTRY CONSUMPTION OF ENERGY POSTS DROPS

Oslo AFTENPOSTEN in Norwegian 29 Mar 84 p 5

[Article by Eivind Fossheim]

[Text] Energy consumption by Norwegian industry has been cut 2 percent annually since 1976, corresponding to the energy needs of 70,000 apartments. That is twice the reduction the 1979/1980 Energy Report forecast and shows that industry takes its energy management seriously, according to civil engineer Gunnar Riddervold of the Factory Association, when he presented a new report at a seminar yesterday on energy savings made by industry which was prepared at the request of the Oil and Energy Ministry.

Industrial energy consumption corresponds to energy consumption by households, the fishing industry and trade and transportation accounts for half of industrial consumption of energy. It appears from the industry report that electrical power consumption remained largely unchanged, oil consumption fell 40 percent, coal consumption doubled as a result of the cement products industry's transfer to this fuel, coke consumption was unchanged while waste consumption increased 40 percent. In addition, many firms deliver heat to nearby consumers. New technology, the use of waste products such as debris and bark, utilization of waste gas, changes in product composition and a higher degree of reclamation as well as low capacity utilization to some extent are all reasons for the reduction so far in industrial energy consumption.

But a lot more could be saved. The technical potential, in other words the reduction that could be obtained with maximum utilization of known technology without taking economic factors into account, is estimated to be the energy equivalent of 16 TWh, while the practical savings potential, in other words the energy savings that it is estimated will actually be made in the next decade and reflected in a change in specific energy consumption, is projected at 5.8 TWh. In addition there is a potential of 1 TWh for industrial buildings.

Some 5 Million Kilowatt Hours Could Be Saved

The Environmental Ministry says that 5 million kilowatt hours could be saved up to 1990 if an investment was made in energy-saving measures. This would

make it unnecessary to develop more rivers than the ones that have already been cleared, according to undersecretary John Dale, speaking at a press seminar on energy economy and power costs in Oslo yesterday.

By 1990, 3 million kilowatt hours could be saved in electricity consumption. About 1 million kilowatt hours of the reduced electricity consumption could be saved in general supplies and a corresponding amount could be saved in power-intensive industries, according to Dale. NVE [Norwegian Electric Power Network] should prepare detailed surveys of energy-saving measures and try to push electric plants to implement them.

Saving energy will not only reduce the need to develop more rivers and give environmental interests greater impact. By reducing oil consumption, the emission of sulfur will also be reduced and thus saving energy could also be a vital part of the fight against acid rain, which is our biggest environmental policy challenge today, Dale said.

The need for jobs has been used more than once as an argument for expanding waterpower.

"Energy-saving measures will create just as much employment for each krone invested as waterpower development," Dale asserted. "There will also be more local jobs spread evenly across the entire country."

Dale mentioned the price of electricity as one of the vital factors in implementing plans to conserve energy. From a national economic viewpoint it is fair to set electricity prices today according to what it costs to develop new energy sources. This would provide the proper competitive relationship between energy conservation and expansion, in his view.

6578

CSO: 3639/98

PROSPECTS OF NEW PETROLEUM PRICE HIKES

Istanbul CUMHURIYET in Turkish 29 Mar 84 pp 1,6

[Text] Ankara--The issue of raising petroleum prices is once again on the agenda in view of the running deficits in the Fuel Stability Fund. The Fuel Stability Fund, set up on 19 December 1983, envisions to base the price of petroleum on the current foreign exchange selling rate. The selling rate of the U.S. dollar has risen by 9 Turkish liras to 321 Turkish liras since the last adjustment of petroleum prices on 19 January. According to the latest information obtained, the amount of money owed by public corporations to the Fuel Stability Fund has reached 40 billion Turkish liras.

The second development which necessitates a hike in the price of petroleum is related to the Public Housing Law which went into effect after it was published in the Official Gazette on 17 March. The Public Housing Fund to be set up under the law will have excise taxes levied on petroleum as its main funding source. The said excise tax is defined in the law as follows:

"[The excise tax] will be levied on the refinery selling price of domestic or imported fuel and will not exceed 15 percent on the selling price of gasoline and 7 percent on the selling price of diesel fuel, cooking oil and heating oil."

Thus, while a new increase in the price of petroleum appears to be inevitable in view of the Public Housing Fund, the size of the price hike is not very clear. According to the provisions of the Fuel Stability Fund, the Ministry of Energy and Natural Resources can make price adjustments of not more than 3 percent without the approval of the Council of Ministers. However, in the 68 days since the last price hike, the change in the dollar-lira buying price of petroleum has exceeded 3 percent.

The Ozal government introduced the current rate basis for petroleum prices by a decree issued on 19 December 1983. The purpose of this decree was to provide some relief to the complaints raised for many years by oil companies. According to the decree, the cost of imported crude oil is determined as follows:

"[The cost of imported crude oil] is the equivalent of the C.I.F. cost computed on the basis of the foreign currency selling exchange rate effective on the date the unloading of the imported crude oil from the tanker to the refinery is completed."

On the issue of the selling price, it was decided to take the average of the selling prices over a month.

Thus a hike in the price of petroleum has become inevitable both in order to close the deficit in the Fuel Stability Fund and to fund the Public Housing Fund.

The latest adjustments in petroleum prices and the exchange rate of the dollar on those dates are as follows:

<u>Date</u>	<u>Price of gasoline</u> <u>(Turkish liras per liter)</u>	<u>Selling exchange</u> <u>rate of U.S. \$1</u>
26 December 1983	126	283
27 December 1983	129	283
19 January 1984	133	312
27 March 1984	133	321

Meanwhile, Minister of Industry and Trade Cahit Aral disclosed the existence of an inventory of 200,000 metric tons of export-grade sugar and ruled out any hikes in the price of sugar.

Responding to journalists' questions, Aral said that 379,000 metric tons of sugar was exported to Iran and Iraq in recent months and that a second consignment of 125,000 metric tons has been shipped to Iraq. Stating that an additional 200,000 metric tons of export-grade sugar is sitting in warehouses, Aral disclosed that ways will be sought to sell this sugar to Iran during Prime Minister Turgut Ozal's visit to that country in April.

Aral also said that Egypt has expressed interest to buy sugar from Turkey and that, however, a high price was quoted to Egypt in view of the prospect that Iran may place a purchase order. In response to a question on what will happen if Egypt wants to buy the sugar even at the quoted high price, Aral said: "Then we will sell it to Egypt."

9588

CSO: 3554/196

BALTIC SEA COMMISSION STILL FACES SERIOUS POLLUTION PROBLEMS

Helsinki KANSAN UUTISET in Finnish 14 Mar 84 pp 16-17

[Commentary: "Nordic Countries Critical on Commission: Results of Measures to Protect Baltic Inadequate"]

[Text] At the opening of the Baltic Protection Commission's anniversary meeting in Helsinki the general consensus was that in the 10 years of its existence the Helsinki Commission has achieved a great deal in terms of protection of the Baltic, but that it still has a lot to do.

While the environment ministers were meeting at Finlandia House to analyze the seven countries' actions during the 10-year period, outside the conference hall Finland's Greenpeace activities group reminded them of the poisonous discharges emitted by the Vuorikemia plants at Kemira near Pori.

Waste water particularly high in sulphuric acid content has already destroyed all life on the sea bottom over a 10-square-km area offshore of Pori in the neighborhood of Vuorikemia's drainpipe. Furthermore, most of the fishermen in the area have had to give up their livelihood. There are no more than about 10 commercial fishermen left.

Environment Minister Matti Ahde (Social Democrat) consented to receive a delegation from the group during a conference break, but he too was unable to offer any promises as to putting a complete stop to the discharges, an action which the organization regards as the only way of protecting the water. According to Greenpeace, Vuorikemia's plants to reduce discharges by 30 percent are not enough.

"Obviously, these discharges must be significantly reduced, but the Environment Ministry is not a water authority. The Environment Ministry cannot exceed its authority to act," Ahde said.

Greenpeace also reminded them that Finland is the only Nordic country that still permits marble seal hunting for 3 months in the year. Sweden put an end to such hunting the year the Baltic Treaty was signed.

While the seal population has increased slightly due to the ban on DDT, from 30 to 70 percent of all female seals are incapable of reproducing.

PCB is thought to be the cause. Environmentalists are concerned over the fact that the PCB content of the northern areas of the Baltic is slowly rising, although elsewhere it is declining.

"More Concrete Results"

According to Minister Ahde, damage to the environment caused by air pollution and acid rainfall demands swift action in the Baltic countries.

"Another serious problem is the pollution of the sea from the land. The preliminary work done by the Baltic Commission has not yet led to sufficiently concrete results," Ahde noted. The luxuriant growth [of algae, etc.] in the sea has increased and at the same time the loss of oxygen has spread, facts which many countries have taken note of.

"While we have recorded favorable development, we must honestly also say that we have to achieve more concrete results during the next decade," Ahde asserted.

Oil Damage Reduced and Worsened

Swedish Agriculture Minister Svante Lundqvist said that he was satisfied that damage to the Baltic due to oil had been significantly reduced over the 10-year period, but he had to add that at the same time it had become a more serious threat to both people and the environment.

In Denmark's report it was estimated that the volume of oil annually dumped into the Baltic may be approaching as much as 100,000 tons. Denmark also demanded that the situation be carefully observed.

Both countries also noted a rise in the amount of heavy metals in the Baltic.

Sweden considered the population centers bordering on the Baltic to be the worst polluters.

USSR and Poland's Waste Water Slightly Clearer

Polish Environment Minister Krzysztof Zareba said that Poland was trying to comply with the recommendations despite the fact that its economy has been laboring under great difficulties. By way of example, he referred to the pressurized water treatment plant built in Gdansk.

Zareba stressed the fact that its 700-km-long coast is economically very important for Poland. According to him, funds have been actively invested in the treatment of waste from ships and coastal waste water.

The Soviet minister of land reclamation and water resources, Vladimir Loginov, noted that during the 10-year period 20 Soviet cities and over 100 industrial plants stopped discharging waste water into the main water channels of the Baltic.

The plan is for industrial plants not to dump untreated waste water into the Baltic any more at all after 1985. The construction of the Leningrad waste water treatment system is still in progress.

In the Soviet report they also refer to the "Globe Asimi" accident that occurred in the port of Klaipeda in November 1981. According to the report, they managed to collect about 53 percent, or a total of 9,000 tons, of the oil that had gotten into the water from the vessel. In addition, 600,000 tons of oil-polluted sand was removed from the coast. According to the report, the outcome may be regarded as satisfactory.

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CSO: 3617/126

NORWEGIAN STUDY FINDS ACID RAIN EFFECTS IN ARCTIC

Helsinki UUSI SUOMI in Finnish 17 Mar 84 p 11

[Article by Asko Vuorjoki]

[Text] Acid rain respects no borders of any kind. It is mainly produced by the sulphur dioxide discharges of coal-burning power plants and the nitrogen oxide discharges of autos, and it constitutes a constant national problem in many European countries.

According the latest — alarming — Norwegian studies, acid rain has now also spread to the North Pole. About 100,000 Eskimos live in the circumpolar regions and their adjacent areas. The wild animal population in these vast and nearly inaccessible wilderness areas is world-renowned. Acid rain and the civilized world's "imported pollutants" were not expected to spread across the seas to these clean regions. Things, nevertheless, turned out differently.

Southern Norway Level

According to studies conducted by Norwegian scientists, sulphur dioxide concentrations in the Arctic areas are equivalent to the level of those in Southern Norway.

In addition to Norway, the United States, Denmark and Canada have conducted studies in the areas around the North Pole. In all these studies they found surprisingly high pollutant readings. Studies conducted on Spitsbergen and Greenland also revealed alarming amounts of sulphur dioxide.

"We cannot with absolute certainty say where the imported pollutants come from," Dr Brynjulf Ottar, one of the researchers at the Norwegian Meteorological Institute, stated.

"Imported Pollutants" from Eastern Europe

According to Ottar, however, it seems that most of the imported pollutants and acid rain come from the industrial areas in the southern regions of the Soviet Union.

Some time ago West Berlin International Social Sciences Institute researchers published a 2-year study on air pollution in Europe. In the study they showed that air pollution has advanced at a dizzying rate. According to the researchers, by 1990 we may already be close to a catastrophe.

According to the same scientists, the problem is especially serious in Eastern and Southern Europe where industrialization is continuously very intensive. This has led to the construction of high smokestacks. This measure has not, however, reduced pollution; it has only shoved the damages, in the form of imported pollutants, farther away from the real sources.

"Arctic Haze"

This is how the pollution front has also pushed its way into the Arctic regions and had a clear effect on the worsening of visibility as well. Scientists have already given the phenomenon a name, calling the cause of this worsening of visibility "Arctic haze."

Only a few years ago Arctic haze was a concept that was quite unfamiliar in the areas around the North Pole. At the present time Arctic haze covers an area in the northern regions that is as extensive as North America.

Last spring an international team of investigators conducted studies in the Arctic from an airplane. They demonstrated that clouds of pollutants were not only thick, but amazingly thick.

Ecosystem Threatened

"We didn't even have to look down from the plane. It was enough to look out, where we could see a brown-tinged haze," the investigators asserted.

The researchers also found zinc, lead, cadmium and mercury in the samples they took in the Arctic. Now they fear that these concentrations of pollutants may upset the balance of the entire fragile Arctic ecosystem.

Changes in Weather Conditions

According to the scientists, imported pollutants and Arctic haze are constantly increasing. This inevitably has damaging effects on plant and animal life in the northern polar regions. But air pollution and acid rain may be affecting climate as well. Scientists fear that the Arctic atmosphere is warming and that this is producing changes in weather conditions round the globe.

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ENVIRONMENT AGENCY HEAD STRIVES TO IMPROVE LOCAL ENFORCEMENT

Copenhagen AKTUELT in Danish 9 Mar 84 p 12

[Article by Carl-Johan Rosenberg: "Insufficient Local Environment Inspection"]

[Text] "We have not given up trying to make local environment inspections more effective withing the present limits of enforcement--yet."

This statement was made by Jens Kampmann, director of the Environment Agency. However, the addendum is worth noting; it marks an opening to the demand for central environment inspection, which due to recent environment scandals is once again being brought up.

For the 117th time, the authorities' administration of the environment legislation is being brought into focus. This time, in connection with toxic waste-water discharges from Proms Kemiske Fabrik in Viemose, southern Jutland.

In spite of the fact that the ocean floor outside the plant has become a lifeless chemical dump after more than 10 years of illegal dumping, the county issued a more than adequate approval of that environment about a year ago. And although Prom has been found guilty of violating Danish environment regulations several times, the county allowed the enterprise to control itself for 18 months.

In the meantime, three private organizations took matters into their own hands. According to their tests, Prom discharges several chemicals that are not mentioned at all in the county's environment approval.

Weak Inspection

This case is by no means unique. A few weeks ago, the environmental group NOAH saw to it that Superfos' phenol-contaminated glass-wool waste became the glaring focus of public attention. This case, which is far from concluded, disclosed weak inspection on the part of several counties--and a very passive treatment of the matter by the Environment Agency. Other examples of doubtful environment practices on the part of local authorities include Vejle county's "clarification" of Superfos' dumping permit, Grenas' forbearance with BASF and other local polluters, etc.

When these matters reached the boiling point, sparks began to fly between local authorities and central Environment Agency inspectors. Various mayors accused the agency and its director of washing their hands, evading their responsibility, letting municipalities down or of getting involved at the wrong time.

Kampmann admits that his agency is not infallible. "But an awkwardly formulated document from Strandgate 29, Copenhagen does not exempt local authorities from recognizing and meeting their responsibility," he pointed out.

"It is largely a matter of how much importance municipalities attach to this responsibility. It is my clear impression that many smaller municipalities, in particular, do not stress environmental tasks enough. That is partly due to the fact that this responsibility may be too great for small municipalities. And, again, that explains why a number of municipalities have joined together to solve these tasks, as they did on Fyn," said Kampmann.

"We are trying to administer the best we can within the present structure. Of course, we could suggest that politicians change the environment legislation if we felt it was necessary. But we have not yet found it necessary to take that step," said Kampmann.

Environment Police

However, there are others who long ago lost confidence in the grand idea of local enforcement of the environment legislation. That includes Jorgen Jepsen, Aarhus University law instructor. For years, he has argued for the establishment of environment police. Together with Borge Christensen, environment consultant for the Sports Fisherman's Association, he yesterday submitted a public proposal on how to implement the idea.

"The Prom case is only the last in a long series of examples which show that environment control must be taken out of the hands of municipalities and counties. The licensing authority cannot also be the controlling one," said Jepsen. "It cannot be right that politicians decide whether a company should be reported to police or not. Politicians and business leaders are too closely associated in local communities, and the desire to protect a company for jobs' sake is allowed to play too important a role."

Jepsen and Christensen have drawn up several environment-administration reorganization models and their implementation. The "minimum" solution would be to add environment police to the present inspection system. This would be an independent unit under the Ministry of Justice--like the auxiliary police--that would handle investigations and be the prosecuting authority in environmental cases.

The most extreme model--and also the one the two recommend--would function on the level of a national environment inspection agency. It would assume all the responsibilities of the Environment Agency, counties and municipalities.

Social Democratic Party (S) Supports Central Control

The idea of environment police has been rejected several times by Minister of Environment Chr. Christensen and the rightist parties in Parliament. However, the idea is not foreign to the Social Democratic Party.

"We have suggested taking the inspection of chemical and power plants, hence the most polluting plants, out of the hands of local authorities and transferring it to the Environment Agency, but the proposal never got majority support in Parliament. However, we have never given up the idea of more central environment control and have never gone in for a specific model," said former Minister of Environment Erik Holst (S).

He welcomes Jepsen and Christensen's initiative. It is supposed to come up for debate today, when Parliament debates the government's proposal for more legal action in environmental matters.

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CSO: 3613/110

COUNTY GOVERNMENT OFFICIAL DEFENDS INSPECTION EFFICIENCY

Copenhagen AKTUELT in Danish 9 Mar 84 p 12

[Article by Poul Erik Jensen: "Inspection Good Enough"]

[Text] "According to the environment legislation, we are required to consider nature as well as the individual business' usefulness to society. There is nothing odious about the fact that a business with many jobs uses the latter consideration in preference to that of the politicians."

This statement was made by county council member Erik Rasmussen (Social Democratic Party), deputy chairman of the Committee for Technology and Environment in Vejle county. First and foremost, starting with the case of the Superfos fertilizer plant in Fredericia, he has been involved in stormy debates with representatives from environment organizations as well as the Environment Agency.

"I strongly warn against a too restrictive environment policy. At worst it could result in businesses here in Denmark moving to some other place. We cannot be so naive as to put our well-being ahead of management.

"It has not been proven that Superfos discharges into Lillebalt have caused damage. On the contrary, a four-volume report has been prepared in which it is documented that the environment in Lillebalt is exactly the same as in other Danish waters."

Rasmussen strongly opposes centralizing the inspection of our industries. There is no indication it would be better to leave the inspection to the Environment Agency, for example.

"In 1979 we formulated a dumping permit, in which Superfos was given guidelines as to what should be discharged, how much, etc."

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BRIEFS

FINNISH-USSR POLLUTION COOPERATION--Moscow (APN)--Soviet and Finnish experts this year are starting to prepare an agreement for scientific and technical cooperation in the area of environmental protection. This was decided during the visit of Environment Minister Matti Ahde to the Soviet Union in March. The agreement is expected to be signed in the beginning of 1985. In the new agreement attention is being especially directed to air pollution problems, reducing of hazardous emissions, long-distance polluting and the causes of acid rain, according to the chairman of the Soviet Committee on Hydrometeorological and Environmental Protection Affairs, Juri Izrael. [Text] [Helsinki HELSINGIN SANOMAT in Finnish 10 Apr 84 p 9]

CSO: 3617/139

ANALYSIS OF FAILURE TO COMBAT ATHENS AIR POLLUTION

Athens I AVGI in Greek 19 Feb 84 p 5

/Article by Nikos Zalaoras: "Why YKhOP Has Failed in Its Battle With the "Cloud"; Desertion in First Struggle for Control of Sources of Air Pollution!..."

/Text/ We follow with great interest the various governmental announcements about the reduction of air pollution in Athens, which, as we should never forget, is the most urgent health problem for a significant part of the population. Unfortunately, we almost always discover that the necessary measures to combat the "cloud" exist only on paper; that is, they have not even been applied yet.

Likewise, the latest attempt by the Ministry of Physical Planning and Environment is future because it has been unable to make good use of its own potential or to bridge the communication gap with other ministries.

Thus, no systematic method (on a daily or periodic basis) is presently in effect to control the air pollution that industries and central heating systems cause in Attiki so that proper sanctions may be imposed. (It is noted that the automobile emission test has been rescheduled for 1984...)

The registration of industries in Attiki has been unjustifiably delayed: it should have been completed months ago so as to inform us of what is finally happening with the filters, the specifications, etc.

Environmental Administration Dissolved

It is a fact that YKhOP abandoned the "war on smoke and dust" before its first battle, which was for effective control of the sources of air pollution.

Thus, the basic administrative substructure of the environmental sector (PERPA and others) is actually dissolved, and not even the existing, uncoordinated group of inspectors is in operation any longer. Consequently, air pollution remains completely out of control.

The question that arises is whether this is a decision by the minister in charge in order to avoid any confrontation or, more likely, is a wider decision by the government to sacrifice the environment on the altar of uncontrolled development.

Naturally, in this situation, where in one way or another YKhOP is incapable of coordinating its own functions, no one expects (although one may desire) that this ministry might initiate a unified environmental administration that would coordinate all the related services of various ministries and organizations, etc. But as we mentioned above, even on this scale YKhOP has failed, because above all it has not yet attained the necessary authority on environmental affairs.

Increase in Health Problems in Athens

According to measurements taken during recent months, a significant increase has been observed in smoke and carbon monoxide levels and less in sulfur dioxide (the sulfur anhydrite that Laura Conti reported in I AVGI as being responsible for the death of children).

As is known, the smoke particles, which are very small, enter the lungs and combine with carbon dioxide to attack our respiratory system. It is noted that the smoke emanates from industry and heating in approximately the same percentage as from traffic, according to official estimates.

Carbon monoxide, which has also been found in greatly increased quantities recently, emanates mainly from cars and is a dangerous, toxic gas because it reduces the ability of the blood to carry oxygen.

It must also be remembered that the hydrocarbons we inhale are in a significant percentage even though we do not count them. Such compounds are emitted by cars, by any installation that uses petroleum products and by any kind of dying works such as cleaners, etc.

Certain hydrocarbons are considered carcinogenic and must be reduced to the minimum. They also contribute, along with the nitrogen oxides, to the creation of the photochemical "cloud."

Finally, the dust from industries such as cement, fertilizer, foundries, etc. has detrimental effects on the lungs. Along with the heavy metals it contains, such as lead and cadmium (the largest part, especially of lead, originates from cars), the dust can attack the arteries, the liver, the pancreas, the bones, the nerves, etc.

It becomes evident from all this how serious the consequences of air pollution are to our health. We consider it incomprehensible that the necessary epidemiological studies have so far not been performed, since early signs indicate that illness among the people of Athens has obviously increased as a result of air pollution.

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